

PRINCIPLES
OF
POLITICAL ECONOMY;

OR, THE
LAWS OF THE FORMATION

OF
NATIONAL WEALTH,

DEVELOPED BY MEANS OF THE CHRISTIAN LAW OF GOVERNMENT.

BEING THE SUBSTANCE OF A CASE DELIVERED TO THE HAND-LOOM WEAVERS' COMM.

BY WILLIAM ATKINSON.

WITH

AN INTRODUCTION

BY HORACE GREELEY;

TREATING OF THE PRESENT STATE OF THE SCIENCE OF POLITICAL ECONOMY,

AND THE

ADAPTATION OF ITS PRINCIPLES TO THE CONDITION OF OUR OWN COUNTRY,

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ADVERTISEMENT TO THE AMERICAN EDITION.

The work herewith first presented to the American public,—being the substance of a case submitted to a Commission appointed by the British House of Commons to inquire into the distresses of the Hand-Loom Weavers, with additions and illustrations,—was published in England in 1840; but no attention was called to it in this Country till late in 1842, when two copies were received from the author by Gen. JAMES TALLMADGE, President of the American Institute. (Great Britain produces much Political Economy for exportation, but with rare exceptions this is of the Free Trade school; works defending and illustrating the Protective Policy are there deemed adapted to the Home market alone.)—This work, having been placed by Gen. T. in the Library of the American Institute, the attention of several thinkers and practical men was speedily attracted to it, and by them it was regarded as eminently adapted to correct some of the most popular and specious of the errors prevailing with respect to Political Economy, as well as to elucidate and defend some of the more important truths of that Science which had hitherto been too generally felt rather than clearly understood. The knowledge and the popularity of this work, as exhibiting the true Theory of a wise and benevolent Policy for Nations with respect to the Industrial Interests of their People, gradually extended from one to another, until it was rapidly diffused by a discriminating

review of its contents by Mr. C. C. HAVEN, which appeared in *Hunt's Merchant's Magazine* for April of this year. A notice with extracts was likewise given in *The American Laborer* about the same time. The knowledge of the work thus imparted has created a very earnest if not a very wide-spread desire that an American Edition should be published, in order to place it within the reach of those of our citizens to whom the heavy cost of the English Edition would present a formidable barrier to its perusal, even were it to be procured here at all, as it is not. Impelled by a profound conviction of the value of Mr. ATKINSON's work, its eminent adaptation to the existing circumstances of our Country, and earnestly desiring that its views should be widely disseminated, and its truths sink deeply into the minds of the American People, the undersigned (having been favored by Gen. Tallmadge with his copy for the purpose) have incurred the hazard of printing so liberal an edition as will enable them to afford the work at the low price of twenty-five cents a copy, or one-tenth the cost of the English edition. They therefore appeal with confidence to all who feel an interest in the dissemination of sound and just views of Political Economy, and all who are concerned in the Protection of our Home Industry, to aid by spirited efforts in the diffusion of this work.

GREELEY & McELRATH,
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INTRODUCTION TO THE AMERICAN EDITION.

In presenting to the American public an edition of Mr. ATKINSON's work elucidating the fundamental principles of Political Economy, the Editor is impelled to accompany it by a brief introductory essay, bearing on the progress and present condition of the Science herein illustrated. Hasty and immethodical as the multiplicity and unceasing exaction of his cares and duties as Editor of a Daily Journal must render it, he trusts it will be found not without pertinence to the matter, nor unworthy of the consideration of the public.

Political Economy is among the latest born of the Sciences. Mainly intent on the horrid game of War, with its various reverses and only less ruinous successes, it is but yesterday that the rulers of the world discovered that they had any duty to perform toward Industry, other than to interrupt its processes by their insane contentions, to devastate its fields, and ultimately to consume its fruits. And when the truth did pierce through their scarcely pervious skulls, it came distorted and perverted by the resistance it had met, by selfish and sinister influences, so that it had parted with all its vitality, and was blended with and hardly distinguishable from error. When it began to be dimly discerned that Government had a legitimate duty to perform toward Industry—that the latter might be cherished, improved, extended by the action of the former—legislators at once jumped to the conclusion that all possible legislation upon and interference with Industry must be beneficial. A Frederick the Great finds by experience that the introduction of new arts and industrial processes into his dominions increases the activity, thrift and prosperity of his People; forthwith he rushes (as Macaulay and the Free Trade Economists represent him) into the prohibition of *every thing* but coin from abroad, and the production of every thing at home, without considering the influences of soil and climate, or the practicability of here prosecuting to advantage the business so summarily established. The consequence is of course a mischievous diversion of Labor from useful and productive to profitless and fruitless avocations. But this is not the worst. Some monarch finds himself unable to minister adequately to the extravagance of some new favorite or mistress; so he creates in her favor a Monopoly of the supply

and sale of Salt, Coffee, or whatever else is not already monopolized, and styles it a "regulation of trade," to prevent ruinous fluctuations, competitions and excesses! Thus private ends are subserved under the pretence of public good, and the comforts of the People abridged or withheld to pander to the vices and sustain the lavish prodigality of princes and paramours.

From a contemplation of these abuses, pierced and uncovered by the expanding intelligence of the Eighteenth Century, the Political Economy of the Schools was evolved. In its origin a protest against existing abuses, it shared the common lot of all reactions, in passing impetuously to an extreme the opposite of the error it went forth to combat. From a scrutiny and criticism of the gross abuses of the power of Government over Industry, it was impelled to the conclusion that no such power properly existed or could be beneficially exercised. Thus the Science became, in the hands of the latest professors of the 'enlightened' school, a simple and sweeping negation—a demand for incessant and universal abolishing—a suicidal Science, demonstrating that to do nothing is the acme of governmental wisdom, and King Log the profoundest and greatest of monarchs.

These conclusions would have staggered the founders of the school, and yet it is difficult to resist the evidence offered to show that they are legitimately deduced by their disciples from the premises those founders themselves have laid down. In the cases cited by Mr. ATKINSON in this work of the comparative beneficence of Home Trade and Foreign, and of Resident and Non-Resident Landlords, it is plain that the disciples are truer to their common principle in denying than their masters were in asserting the superior benefits of Home Trade and the Residence of proprietors on their estates.

There are many strong reasons for believing that the reaction against a sinister and false regulation of Industry has spent its force, and that the error which denies that any regulation can be beneficent, equally with the fraud which has cloaked schemes of personal aggrandisement under the pretence of guiding Industry aright, will cease to exert any practical influence over the affairs of nations. Experience, the great cor-

rector of delusive theories, has long since settled this point, that any attempt to grow Coffee in Greeland or dig Coal from the White Mountains must prove abortive; that same Experience, it seems most obvious, has by this time established that it is wise, it is well, for each nation to draw from its own soil every desirable and necessary product which that soil is as well calculated to produce as any other, and to fabricate within itself all articles of utility or comfort which it may ultimately produce as advantageously—that is, with as little labor—as they can be steadily produced elsewhere. To do this may require fostering legislation at first, to shield the infant branches of Industry against the formidable competition of their adult and muscular rivals, which would otherwise strangle them in the cradle; it may require efficient and steady Protection in after years, to counteract the effects of differing standards of money values, and different rates of wages for Labor—nay, of the disturbing rivalries and ruinous excesses of mere foreign competition, which often leads to underselling at the door of a rival (especially if that rival be shut out from retaliation by duties on the other side) when living prices are maintained at home. A protected branch of Industry—cloth-making, for instance—might thus overthrow an unprotected rival interest in another nation without selling its products at an average price lower than that of the latter. Having its own Home Market secured to it, and unlimited power given it to disturb and derange the markets necessarily relied on by its rival, it would inevitably cripple and destroy that rival as the mailed and practiced swordsman cuts down in the field of combat the unarmed and fenceless adversary whom fate or fatuity has thrown within his reach. Those who profess an inability to see how Protection can benefit the producer if it does not raise the average price of his product contradict not merely the dictates of a uniform experience but the clearest deductions of reason. The artisan who makes piano fortés, say at \$300 each, having a capricious demand for some twenty or thirty per year, and liable at any time to be thrown out of business by the importation of a cargo of piano fortés—will he produce them cheaper or dearer, think you, if the foreign rivalry is cut off, and he is thence enabled to find a steady market for some twelve instruments per month? Admit that his natural tendency will be to cling to the old price, and thereby secure larger profits—this will be speedily corrected by a Home Competition, which will increase until the profits are reduced to the average profits of business. It will not be in the power

of the Home as it is of the Foreign rival interests to depress his usual prices without depressing their own—to destroy his market yet preserve and even extend theirs—to crush him by means of cheaper Labor than he can obtain. If vanquished now it will be because his capacity is unequal to that of his rivals—not that circumstances inevitably predict and prepare his overthrow. No intelligent man can doubt that Newspapers, for example, are cheaper in this country than they would be if Foreign journals could rival and supplant them here as Foreign cloths may rival and supplant in our markets the corresponding products of our own Country. The rule will very generally hold good that those articles of Home Production which cannot be rivaled by Importation are and will be relatively cheaper than those of a different character.

And here it may be well to speak more directly of the discrepancy between Theory and Practice which is so often affirmed in connection with our general subject. There are many who think the theory of Free Trade the correct, or at any rate the more plausible one, but who yet maintain, because they know by experience, that it fails practically of securing the good it promises. Hence they rush to the conclusion that a policy may be faultless in theory yet pernicious in practice, than which no idea can be more erroneous and pernicious. A good theory never yet failed to vindicate itself in practical operation—never can fail to do so. A theory can only fail because it is defective, unsound—lacks some of the elements which should have entered into its composition. In other words, the practical working is bad only because the theory is no better.

Let us consider, for illustration, the fundamental maxim of Free Trade, ‘Buy where you can buy cheapest.’ This sounds well and looks plausible. But let us hold it up to the light: What is ‘cheapest?’ Is it the smallest sum in coin? No—very far from it; and here is where the theory gives way. We do not, as a nation, produce coin—do not practically pay in coin. We pay for products in products, and the real question first to be resolved is, Whence can we obtain the desired fabrics for the smaller aggregate of our products—from the Foreign or the Home manufacturer? Take Woolen Cloths, for instance: We require of them, say One Hundred Millions’ worth per annum. Now the point to be considered is not where we could buy most cloths for One Hundred Millions in money, for that we have not to pay; but where our surplus product of Pork, Lumber, Dairy Produce, Sheep, Wool, &c. &c. will buy the required Cloth most advanta-

geously. The Nominal or Money price paid for it may be Eighty Millions or One Hundred and Twenty Millions, and yet the larger sum be easier paid than the smaller—that is, with a smaller amount of our Produce. The relative Money prices do not determine the real question of cheapness at all—they may serve, if implicitly relied on, to blind us to the merits of that question. In the absence of all regulation, the relative Money price will of course determine whether the cloths *shall* be imported or produced at home, but not whether they *should* be.

But this is not all. We may obtain a desired product to-day and fitfully cheaper abroad, and yet pay more for it in the average than if we produced it steadily at home. The question of cheapness is not determined by a single transaction but by many.*

And again: We cannot buy to advantage abroad that which, being bought abroad, leaves whole classes of our people to perish at home.—For instance; Suppose one hundred millions of garments are made by the women of this country yearly at an average price of twenty-five cents each, and these could be bought abroad for two-thirds of that sum; Would it be wise so to buy them? Free Trade asserts that it would—that all the labor so thrown out of employment would be promptly absorbed in other and more productive occupations. But sad experience, common sense, humanity, say Not so. The truth is very different from this. The industry thus thrown out of its time-worn channels would find or wear others slowly and with great difficulty; meantime the hapless makers, no longer enabled to support themselves by labor, must be supported in idleness. By indirect if not by public charity they must somehow be subsisted; and our citizens will have bought their garments some twenty per cent. lower from abroad, but will be compelled to pay another price for them in charities and poor-rates. Such is the effect of ‘Buying where we can buy cheapest’ in a low, short-sighted, miserly, Free Trade view of cheapness.

But why, it is asked, should not a Nation purchase of others as freely as individuals of the same nation are permitted to trade with each other? Fairly as this question would seem to be put, there is a fatal fallacy lurking beneath its use of the term ‘nation.’ A nation *should* always buy where it can (in the long run) ‘buy cheapest’ or most advantageously; where that may be is a question for the nation, through its legal organism, to decide. The query mistakenly

assumes that the immediate, apparent interest of each individual purchaser is always identical with the interest of the community, which common sense as well as experience refutes. The lawyer or clergyman in Illinois may obtain his coat of the desired quality cheaper (for less money) from Paris than it can be fabricated in Illinois, yet it by no means follows that it is the interest of Illinois to purchase her coats or cloths from Europe—quite the contrary is the fact. Nay, it would be easy to show that the real, permanent interest of the lawyer or clergyman himself—certainly of his class—is subserved by legislation which encourages and protects the home producer of those articles, not only because they improve in quality and are reduced in price under such a policy, but because the sources of his own prosperity and income are expanded or dried up as the Industry of his own region is employed, its capacities developed, and its sphere of production enlarged and diversified. Let us illustrate this truth more fully:

The State of Illinois, for example, is primarily grain-growing, producing a surplus of five millions of bushels of Wheat and Indian Corn annually, worth in New-York \$4,000,000, and requiring in return ten millions of yards of Cloths of various kinds and qualities, costing in New-York a like sum. In the absence of all legislation, she purchases and consumes mainly English cloths, which can be transmitted from Leeds to Chicago in a month, at a cost, including insurance and interest, of not more than five per cent. and there undersell any Illinois fabricator of cloths equal in quality and finish. Is it the real, permanent interest of Illinois (disregarding the apparent, momentary interest of this or that class of persons in Illinois) to persist in Free Trade? or, on the other hand, to concur in such legislation as will ensure the production of her cloths mainly at home? Here is opened the whole question between Free Trade and Protection.

The advocate of Free-Trade insists that the solution of the problem lies plain on the surface.—The British broadcloth is offered in abundance for \$3 per yard; the American is charged twenty per cent. higher, and cannot be afforded for three dollars. The true course is obvious—‘Buy where you can buy cheapest.’ But the advocate of Protection answers that the real, intrinsic question of cheapness is not determined by the market price of the rival fabrics in coin—specie not being the chief staple of Illinois, nor produced there at all—but *where may the required Cloth be bought with the smallest amount of her Grain?* Is not this true? What avails it to Il-

linois that she may have Cloth from England twenty per cent. cheaper if she is, by purchasing her supply there, constrained to sell her Grain at half price or less? Let us see, then, what is the inevitable fact:

That we cannot buy, perpetually, without paying—that in paying for a single article we must regard, not how much the payment is *called*, but how much it *is*, (that is, the amount of Products absorbed in paying for, or of the Labor expended in producing them)—we assume to be obvious or sufficiently demonstrated. Let us now consider what will be the inevitable cost to Illinois—the *real cost*—of one million yards of broadcloth obtained from England as compared with the same cloth produced at home.

The average value of Wheat throughout the world is not far from one dollar per bushel, varying largely, of course, in different localities; in the heart of a grain-growing region, away from manufactures or navigation, it must fall greatly below that standard; in other districts, where consumption considerably exceeds production, rendering a resort to importation necessary, the price rises above the average standard. The price at a given point is determined by its proximity to a market for its surplus or a surplus for its market. Great Britain does not produce so much as will feed her own population; hence her average price must be governed by the rate at which she can supply her deficiency from abroad; Illinois produces in excess, and the price there must be governed by the rate at which she can dispose of her surplus, including the cost of transportation to an adequate market. In other words (all regulation being thrown aside) the price which England must pay must be the price at the most convenient foreign marts of adequate supply, adding the cost of transportation; while the grain of Illinois will be worth to her its price in the ultimate market of its surplus, less the cost of sending it there.

Now the great grain-growing plains of Poland and Southern Russia, with capacities of production never yet half explored, even, with Labor cheaper than it ever can or should be in this country, are producing Wheat in the interior at fifty cents a bushel or lower, so that it is abundantly obtained at Dantzic on the Baltic for 90 cents per bushel and at Odessa on the Black Sea for 80, very nearly. With a Free Trade in grain, Britain can be abundantly supplied from Europe alone at a cost not exceeding \$1.10 per bushel; with a competition from America, the average price in her ports would more probably range from \$1 to \$1.06. What, then, is the prospect for Il-

linois, buying her Cloths from Great Britain and compelled to sell somewhere her Grain to pay for them?

That she could not sell elsewhere her surplus to such extent as would be necessary, is obvious. The ability of the Eastern States to purchase the produce of her fertile prairies depends on the activity and stability of their Manufactures—depends, in short, on the market for their manufacture in the Great West. The markets to which we can resort, in the absence of the English, are limited indeed. In point of fact, the rule will hold substantially good, though trivial exceptions are presented, that, IN ORDER TO PURCHASE AND PAY FOR THE MANUFACTURES OF GREAT BRITAIN, ILLINOIS MUST SELL TO THAT COUNTRY THE GREAT BULK OF HER SURPLUS OF AGRICULTURAL PRODUCTIONS.

The rates at which she must *sell* this surplus, we have already seen; the cost of transporting it is easily computed. Seventy-five cents per bushel is considerably below the average cost of transporting Wheat from the prairies of Illinois to England, but that may be assumed as a fair average for the next ten years, in view of the improvements being made in the means of transportation. There is then left to the Illinois farmer—to Illinois—thirty cents per bushel as the net proceeds of her surplus of Wheat or \$1,500,000 for the five millions of bushels—purchasing, at three dollars per yard, five hundred thousand yards of broadcloth. This would be the net product of Free Trade.

Now the same inevitable law which depresses the price of Wheat in Illinois so far below that prevailing in England, so long as the one is wholly Agricultural, the other predominantly Manufacturing, will as surely raise the price in Illinois SO SOON AND SO FAST AS A SUFFICIENT MARKET FOR HER SURPLUS IS BROUGHT NEARER TO HER DOORS. Let that surplus be arrested by an adequate market in New-England, and its price will rise to fifty cents a bushel; let the supply of her Manufactured products be drawn by Illinois from points West of the Alleghenies, and it will rise to seventy-five cents; and, whenever they are mainly produced on her own territory, the price will have advanced to one dollar per bushel. In other words, the net produce of her grain to Illinois will be the average price throughout the world, less the cost of transporting it to the point at which an adequate market for her surplus is attained. There may be casual and special exceptions, but this is the fundamental law.

Now it is evident that, though Illinois may buy her cloths for fewer dollars from England, she

can buy them with fewer *bushels* of Grain from our own manufactories, and fewer still when the progress of improvement, under a steady and careful Protection to our Industry, shall have established most branches of Manufacture on her own soil. She may pay twenty-five per cent. higher nominal prices for her fabrics, and yet obtain them at one-half the actual cost at which she formerly obtained them from abroad. In other words, by bringing the producers of Cloth from England to America, and placing them side by side with the producers of Grain, she has effected an enormous SAVING OF LABOR—of that Labor, namely, which was before employed in transporting Grain and Cloth from continent to continent. One hundred thousand grain-growers and cloth-makers produce just as much now as they did with four thousand miles of land and water between them, while they no longer require the services of another hundred thousand persons as boatmen, sailors, shippers, forwarders, &c. to interchange their respective products. These now become producers themselves. By thus diminishing vastly the number of non-producers and adding to that of producers, the aggregate of production is immensely increased, increasing in like measure the dividends of Capital and the rewards of Labor.

This is the process by which Protection increases the prosperity of a country, quite apart from its effect in discouraging ruinous fluctuations and competition, whereby thousands of producers are frequently thrown out of employment and thence out of bread. It is this multiplying and diversifying of the departments of Home Industry, bringing the farmer, the artisan, the manufacturer into immediate contact with each other, and enabling them to interchange their products without the intervention of several non-producers, which Mr. ATKINSON expresses by the term PROPORTION, and which he justly regards as the great end of an enlightened and paternal policy. To guard against the changes, fluctuations, depressions, which an unbounded competition and rivalry are sure to induce, is also well worthy of effort; but the primary aim of Protection is to secure a *real* cheapness of production and supply, instead of the nominal, indefinite, deceptive cheapness which Free Trade obtains by looking to the money price only of the staples purchased. The train of reasoning by which he develops and elucidates the true and permanent first principle of Political Economy, though very different in manner from the homely and desultory remarks by which we have endeavored to illustrate it, will be found to agree essentially

with the foregoing, and to result in the same general conclusions.

—But why, it is asked, have we need of any legislation on the subject, if the Home Trade and Home Production be so much more beneficial than Foreign? The answer to this question is made obvious by the foregoing illustrations. The individual farmer, lawyer, teacher, of Illinois might with Free Trade obtain the Foreign fabrics cheaper than the Domestic, escaping, or seeming to escape, the consequent reduction in the price of Domestic staples which we have seen to be the result of a resort to distant countries for the great bulk of desirable fabrics; but the community could not escape it. On the other hand, the individual might perceive clearly the true policy to be pursued by all; but how could he effect its adoption except through the action of the Government? The Farmer, producing a thousand bushels of Grain, might see clearly that the general encouragement of Home Manufactures would build up a Home Market for Grain at a more adequate price; but his buying Domestic fabrics instead of Foreign, while importation remained unrestricted, and the majority purchased abroad, would answer no purpose whatever. It would only condemn him to sell his products for a still smaller return than the meagre one which Free Trade vouchsafed him.

On this point it seems obvious that the inculcations of our leading Political Economists must be revised—the solecisms, which they embody have grown too glaring and vital to be longer endured. The distinction between real and merely nominal or money cheapness in marts of supply must be acknowledged and respected, or the flagrant contrarieties of Fact and Theory will impel the practical world to distrust and ultimately to discard the theory and its authors.

But not less mistaken and short-sighted than the First Commandment of the Free Trade Decalogue—‘Buy where you can cheapest’—is the kindred precept, ‘*Laissez faire*’—‘Let us alone.’ That those who are profiting, amassing wealth and rolling in luxury, from the proceeds of some craft or vocation gainful to them but perilous and fraught with evil to the common weal, should strive to lift this maxim from the mire of selfishness and heartless indifference to others’ woes to the dignity of Statesmanship, is not remarkable; but that any one seriously claiming to think and labor for National or Social well-being should propound and defend it, this is as amazing as lamentable. Regarded in the light of Morality, it cannot stand a moment: it is identical in spirit with the sullen insolence of Cain—‘Am I my

brother's keeper?' If it be, indeed, a sound maxim, and the self-interest of each individual—himself being the judge—be necessarily identical with the common interest, then it is difficult to determine why Governments should exist at all!—why constraint should in any case be put on the action of any rational being. But it needs not that this doctrine of '*Laissez faire*' should be traced to its ultimate results, as is so lucidly done by Mr. ATKINSON in the following pages, to show that it is inconsistent with any true idea of the interests of Society or the duties of Government. The Genius of the Nineteenth Century—the expanding Benevolence and all-embracing Sympathy of our age—emphatically repudiate and condemn it. Every where is Man awaking to a truer and deeper regard for the welfare and worth of his brother. Every where is it beginning to be felt that a bare *opportunity* to live unmolested if he can find and appropriate the means of subsistence—as some savages are reported to cast their new-born children into the water, that they may save alive the sturdy who can swim, and leave the weak to perish—is not all that the community owes to its feebler and less fortunate members. It cannot have needed the horrible deductions of Malthus, who, admiringly following out the doctrine of '*Laissez faire*' to its natural result, declares that the earth cannot afford an adequate subsistence to all her human offspring, and that those who cannot find food without the aid of the community should be left to starve!—to convince this generation of the radical unsoundness of the premises from which such revolting conclusions can be drawn. Our standard Political Economists may theorize in this direction as dogmatically as they will, modestly pronouncing their own views liberal and enlightened, and all others narrow and absurd; but though they appear to win the suffrage of the subtle Intellect, the great Heart of Humanity refuses to be thus guided—nay, insists on impelling the entire social machinery in an exactly opposite direction. The wide and wider diffusion of a public provision for General Education and for the support of the destitute Poor—inefficient as each may thus far have been—is of itself a striking instance of the triumph of a more benignant principle over that of '*Laissez faire!*' The Inquiries, so vigorously and beneficially prosecuted in our day, into the Moral and Physical, Intellectual and Social condition of the depressed Laboring Classes, of Great Britain especially—of her Factory Operatives, Colliers, Miners, Silk Weavers, &c. &c., and the beneficial results which have followed them, abundantly prove that, for Governments no less than Com-

munities, any consistent following of the 'Let us alone' principle, is not merely a criminal dereliction from duty—it is henceforth utterly impossible. Governments must be impelled by a profound and wakeful regard for the common interests of the People over whom they exercise authority, or they will not be tolerated. It is not enough that they repress violence and outrage as speedily as they can; this affords no real security, even to those exposed to wrong-doing: they must search out the *causes* of evil, the influences which impel to its perpetration, and labor zealously to effect their removal. 'They might re-enact the bloody code of Draco, and cover the whole land with fruitful gibbets, yet with a People destitute of Morality and Bread—nay, destitute of the former alone—they could not prevent the iteration of every crime which a depraved imagination could suggest. That theory of Government which affirms the power to punish, yet in effect denies the right to prevent evil, will be found as defective in its Economical inculcations as in its relations to the Moral and Intellectual wants of Mankind.'

The great principle asserted by Mr. ATKINSON, that the Laborer has a Right of Property in that which constitutes his only means of subsistence, is one which cannot be too broadly affirmed or too earnestly insisted on. 'A man's trade is his estate;' and with what justice shall one-fourth of the community be deprived of their means of subsistence in order that the larger number may fare a little more sumptuously or obtain what they buy a little more advantageously? The cavil at the abuse of this principle to obstruct the adoption of all labor-saving machinery, etc., does not touch the vitality of the principle itself. All Property, in a justly constituted state, is held subject to the right of Eminent Domain of the State itself;—when the public good requires that it should be taken for public uses, the individual right must give way. Suppose it were practicable to introduce to-morrow the products of foreign needle-work, for instance, at such prices as to supplant utterly garments made by our own country-women, and thereby deprive them entirely of this resource for a livelihood—would it be *morally* right to do this? Admit that the direct cost of the fabrics required would be considerably less, should we be justified in reducing a numerous and worthy class, already so meagrely rewarded, to absolute wretchedness and pauperism? It does not seem that an affirmative answer can deliberately proceed from any generous heart.

We are not forgetting that Free Trade asserts that the necessary consequence of such rejection of the Domestic in favor of a cheaper Foreign

production would be to benefit our whole People, the displaced work-women included!—that these would, by inevitable consequence, be absorbed in other and more productive employments: We are only remembering that facts, bold as the Andes and numerous as forest-leaves, confront and refute this assumption. To say nothing of the many instances in our own country's experience, where the throwing out of employment of a whole class of our citizens, owing to the overwhelming influx of Foreign fabrics rivaling theirs, has been followed, not by an increased, but a diminished demand and reward for labor in other avocations, we need but refer to the notorious instance cited by Mr. ATKINSON, upon the most unimpeachable Free Trade authority—that of the destruction of the Hand-Loom Manufactures of India through the introduction of the cheaper product of the English power-looms. Not only were the Hand-Loom Weavers themselves reduced to beggary and starvation by the change—no demand whatever for their labor arising to take the place of that which has been destroyed—but *other classes* were inevitably involved in their calamity, while none in India realized any perceptible benefit unless it were a very few ‘merchant princes,’ who fed and fattened on the misery unto starvation of millions of their doomed countrymen.

And here, as every where, it is observable that no *individual* action could have arrested the mighty evil. If every person intelligent enough to perceive the consequences of encouraging the Foreign instead of the Domestic fabric had early and resolutely resolved never to use any but the latter, and had scrupulously persevered in the course so resolved on, what would it have effected? Nothing. It would have been but a drop in the bucket. But an independent Government of India, with intelligence to understand and virtue to discharge its duties to the People under its protecting care, would have promptly met the Foreign fabric with an import duty sufficient to prevent its general introduction, at the same time prompting, if needful, and lending every aid to the exertions of its own manufacturers to imitate the labor-saving machinery and processes by which the foreigner was enabled to undersell the home-producer of cotton fabrics on the very soil to which the cotton-plant was indigenous, and from which the fibre was gathered for the English market. Such a Government would have perceived that, in the very nature of things, it could not be permanently advantageous to the great working mass of either People that the Cotton should be collected and transported from

the plains of India about twice the diameter of the globe to England, there fabricated into cloths, and thence, at some two years' end, be found dispersed again over those very plains of India, to clothe its original producers. Obviously, here is an enormous waste of time and labor to no end of general beneficence—a waste which would be avoided by planting and fostering to perfection the manufacture of the Cotton on the soil where it grew and among the People who produced and must consume it. This policy would be prosecuted in no spirit of envy or hostility to the English manufacturer—very far from it—but in perfect conformity to the dictates of universal as well as national well-being. The cost of these two immense voyages, and the commercial complications which they involve, though falling unequally on the Agricultural and the Manufacturing community respectively, yet fall in some measure on the latter as well as the former; they inevitably diminish the intrinsic reward of Labor on either side and increase the mischances which affect the steadiness of demand for that Labor and intercept that reward. Protection, as we have seen in considering the argument of cheapness, must increase the actual reward of both classes of producers, by diminishing the number of non-producers and the amount of their subtraction, as such, from the aggregate produced. Yet this is the policy stigmatized by the self-styled liberal and enlightened Political Economists as narrow and partial!—as looking only to local and regardless of general good!

The Moral effects of Protection, as resulting in a more intimate relation and a more symmetrical proportion between the various departments of Industry, cannot be too strongly insisted on. Capital, under the present system of Society, has a natural tendency to centralization; and the manufacture of all light and costly fabrics, especially if their cheap fabrication involves the employment of considerable capital, is subject to a similar law. With universal Free Trade, those Countries which are now foremost in Manufactures, especially if they at the same time possess (as is the case) a preponderance in Capital also, will retain and extend that ascendancy for an indefinite period. They will seem to afford the finer fabrics cheaper than they can be elsewhere produced; they will at any rate crush with ease all daring attempts to rival them in the production. That this seeming cheapness will be wholly deceptive we have already seen, but that is not to our present purpose. The tendency of Free Trade is to confine Agriculture and Manufactures to different spheres; to make of one country or section

a Cotton plantation ; of another a Wheat field ; of a third a vast Sugar estate ; of a fourth an immense Manufactory, &c. &c. One inevitable effect of this is to render the Laborer more dependent on the Capitalist or Employer than he otherwise would be ; to make the subsistence of whole classes depend on the caprices of Trade—the endurance of Foreign prosperity and the steadiness of Foreign tastes. The number of hirings must be vastly greater under this policy than that which brings the Farmer, the Manufacturer, the Artisan into immediate vicinage and daily contact with each other, and enables them to interchange their products in good part without invoking the agency of any third party, and generally without being taxed on whatever they consume to defray the expense of vast transportation and of the infinite complications of Trade. A Country or extensive District whose product is mainly exported can rarely or never boast a substantial, intelligent and virtuous Yeomanry : the condition of the Laborer is too precarious and dependent—his average reward too meagre. It may have wealthy Capitalists and Merchants, but never a numerous Middle Class or a flourishing, increasing proportion of small but independent proprietors. The fluctuations of supply and demand soon reduce all but the few to the dead level of indigence and a precarious dependence on wages for a subsistence, unless prevented by absolute and undisguised Slavery.

But not alone in its influences on the pecuniary condition and physical comforts of the mass is the state of things produced by Free Trade conducive to their Social degradation. The external influences by which they are visibly surrounded are likewise adverse to their Intellectual development and Moral culture. The Industry of a People is, to a far greater extent than has been imagined, an integral and important part of its Education. The child whose infancy is passed amidst the activity of a diversified Industry—who sees the various processes of Agriculture, Manufactures, Art, in progress all around it, will be drawn out to a clearer and larger maturity of intellect—a greater fullness of being—will be more certain to discover and adopt his own proper function in life—his sphere of highest possible usefulness—than one whose early years are passed in familiarity with the narrower range of exertion which any one branch of industry can afford. Foreign as this consideration may be to the usual range of Economic Science, it is too vitally important to be disregarded.

If the writer of this Introduction shall be judged to push the doctrine of Protection still fur-

ther than the greater number of those who have advocated it—farther than Mr. ATKINSON has done in the following treatise—he will of course be alone held responsible. If it were proper in this place to criticise the productions of an author whom he is thus taking the liberty of introducing to the American public, he would say that wherever and wherein he should be inclined to dissent from any of Mr. ATKINSON's deductions, he would differ still farther from those of the opposite school. If Mr. A. ever fails fully to satisfy him, it is where he accedes too easily to the assumptions of the Free Trade Economists. Thus in agreeing so readily that the ability to give employment to Labor is always in proportion to the amount of Capital, and that the increase of Capital as compared with Population necessarily leads to an increase of Wages, Mr. A. admits what I can by no means assent to. It is quite enough to say that such ought to be the result in a perfect state of Society ; that it is the result is plainly contradicted by glaring facts. The French Revolution diminished greatly the aggregate of Property in France as compared with its Population, yet the average rewards of Labor were enhanced thereby. The amount of Capital as compared to Population is less in America than in England, yet the rewards of Labor are here higher. On the contrary, there are many instances where the wealth of a People has increased yet the condition and rewards of its Laborers, with the demand for Labor, have receded. Political Economy has yet to take to itself a broader field than that of discovering the means whereby the aggregate wealth of a nation may be increased ; it must consider also how its Labor may be most fully and equally rewarded, and by what means the largest proportion of the aggregate increase of Wealth and comforts may be secured to those who have produced them.

The present attitude of Statesmen and of Nations with regard to Political Economy cannot be suffered to pass without remark. The writings of the Free Trade Economists are found in every considerable Library ; they form the text books on their theme of every College ; the liberally educated Youth of every land imbibe their doctrines with unquestioning conviction, and go forth on the stage of action to shape the legislation of the world to their requirements. One would suppose that any given ten years would suffice to banish every vestige of Protective regulation from the earth ? But what is the result ? When our students begin to reduce their theories to practice, they discover that they do not answer their expectations—that, from some cause or

Changes in National Policy.

another, they work contrariwise from what was so sanguinely anticipated. They hesitate—they pause—they are compelled to change their ground. Thus many who entered upon public life the admiring, undoubting disciples of Smith and Say, have been brought to change their course in later years, and confess that, after all, the Great Frederick, and Napoleon, and Pitt, and our own prominent Statesmen, were not so obtuse on the subject of Political Economy as they had supposed them. The changes from Free Trade to Protection, among those practically conversant with the affairs of Nations and the effects of legislative measures have been striking and continual; the record of Mr. HUSKISSON's change of ground, as traced by Mr. ATKINSON, is most instructive; while in this Country similar changes have been numerous—that of Mr. WEBSTER being among the most remarkable. On the other hand, Mr. CALHOUN affords almost the only instance of a great Statesman who, after having been early in public life a champion of Protection, has been found in later years an advocate of unconditional, unreciprocated Free Trade.

At this moment, while the praises of Free Trade are chanted in Universities, and reiterated in the halls of Legislation, it is obvious that they make no real impression on the conduct of nations, but each is sedulously exercising increased vigilance in sustaining existing branches of Industry, and fostering new ones, to vigor and prosperity. While Great Britain was impelled, during the last year, to make some real and more nominal reductions of her rates of duties, to prevent the entire shutting out of her manufactures from the ports of other Nations—in other words, to cherish her Manufactures by a reduction, as other Nations must by the retention of their Duties on Imports—we find that nearly every other civilized Nation has been earnestly engaged in revising and giving greater Protective efficiency to its Tariff. Such facts speak a language which cannot be misunderstood.

It may seem, on a hasty perusal, that Mr. ATKINSON pushes the principle of sustaining every existing interest or investment of Capital and Labor to the verge of a Chinese conservatism—that he would have a Standing Army kept up and a National Debt continued, from dread of the evil which must follow their discharge. But such an impression does injustice to the inculcations of our author, and is utterly forbidden by the principles on which he rests. In the case of a Standing Army of one hundred thousand men, no longer required by the exigencies of the nation, a wise

economy, a rigid adherence to the principle deduced by him, would dictate that the whole number be not recklessly disbanded at once—thrown out upon the world with scanty means of subsistence to glut all the channels of Labor, derange still farther the relations of Industry, and reduce its average rewards below the demands of the mere subsistence. But such an army should be disbanded gradually, providently, and every exertion put forth to open simultaneously new channels of employment, by works of Internal Improvement, &c. to absorb the Labor thus thrown into the general market as rapidly as it should be offered, thus preventing the calamities which would otherwise be inevitable. So with a National Debt. Grant that the existence of such a debt can in no case be beneficial, but the contrary, it by no means follows that its sudden destruction would not be prejudicial. Even the National Debt of England, enormous as it is and grinding as it must be, could not be sponged out to-morrow without decidedly *increasing* for a time the aggregate of Social misery and individual privation in that country. But a process of gradual and steady diminution to extinction would naturally be attended by the employment of the Capital so released in a healthful extension of Industry, the opening of new sources of Production and Wealth, furnishing increased opportunities for safe and beneficent investment proportioned to the increase of Capital. In other words, that which, done rashly, and with regard only to its special purpose, would be productive of disorder and calamity, would, if accomplished more deliberately, and with a careful, provident regard to the preservation of all existing interests, be conducive in its immediate as well as its ultimate effects to the general prosperity and well-being.

If there should seem to be some discrepancy between the views propounded in this Introduction and the concluding portion of Mr. ATKINSON's treatise with regard to the policy and wisdom of fostering into vitality and vigor *new* departments of Industry, a closer observation will evince that it is rather nominal than real. Mr. ATKINSON is regarding the circumstances of an old country, in which the formation and increase of Capital are necessarily slow; while this Introduction contemplates emphatically the case of our own young and thrifty Republic, of which the Capital is nearly doubled with every twenty years of peaceful prosperity. Without assenting to the doctrine that an increase of Capital can alone justify the resort to new employments in a country, it is sufficient for the present purpose that the rapid increase and accumulation of Capital among us

under any sound and substantial state of business, imperatively dictates the enlargement of the scope and multiplication of the employments and processes of our National Industry.

The Moral and Religious aspect given to the whole subject by Mr. ATKINSON forms one of the most original and striking features of his work. As such considerations are happily entering more and more deeply into the conduct of the affairs of Nations, so will the happiness of their People be promoted and secured. Some of the Theological opinions propounded by Mr. Atkinson may contravene those of a portion of the readers of his treatise, but we have not felt at liberty to alter or abridge one iota in view of the different states of Theological opinion and action in England and in this country. The great end to be first attained is the consideration of the Moral as well as the Material view of the questions involved in Political Economy; and to this end Mr. Atkinson has signally contributed.

To the American public, the questions discussed by Mr. ATKINSON are of momentous interest, in more than one aspect. Not merely is the science of Political Economy one of great intrinsic importance—an importance increased and increasing as the Division of Labor among us becomes more minute, and the relations of Society more artificial and complicated, but it is of vital moment to the stability and glory of our Free Institutions that we establish the fact that such questions can and will be mastered by the popular mind. The champions of Monarchy and Aristocracy assert that a consistent adherence to a wise and far-seeing National Policy is not practicable

in a Democracy—that the multitude will not study and master the great problems which lie at the foundations of National well-being; but, being ignorant and unstable, will be swayed hither and thither as demagogue adventurers, artfully appealing to their prejudices, exciting the hatred of class against class, or pandering to their vanity and vices, shall see fit to lead them. It becomes us to repel this assumption by facts—becomes us not merely with regard to our National character but to our National existence. Thus far, it is believed, the hopes of the friends of Free Institutions have been fully justified. In no other country is the popular attention to Economic Science at all comparable to that of our own People; and, though the study of the subject is still lamentably far from universal, it is obvious that a very decided progress is making in the investigation and understanding of this and kindred topics. To this understanding we believe the work of Mr. ATKINSON eminently calculated to contribute, though its brevity is such that it is necessarily confined to the development of principles to the exclusion of secondary considerations. This work must at least dispel that overwocning contempt of the Protective argument which has been generated by the magisterial yet ill-considered assertions of the Free Trade Economists. Never were the deficiencies of these doctors more clearly exposed, or their errors more succinctly refuted, than is done by Mr. A., and generally by a method of collation and comparison essentially Socratic. We trust this work is destined to become widely known to our countrymen.

AUTHOR'S PREFACE

On presenting the following work to the public, it is necessary that I should give an explanation respecting the form in which it appears. Having discovered, by reading attentively the chief works on Political Economy, that the science has been treated in a most insufficient and false manner, I directed my attention to the consideration of the real nature of the great subject, and the result of my reflection was, a conviction that, under the guidance of the Christian law, it was possible for me to elucidate the science with complete accuracy.

Entertaining this conviction, I felt desirous of working the subject in conjunction with other persons, so that I might not only impart information to other minds, but also derive assistance and advantage from any comments or objections that might be raised against the gradual and numerous inductions which were necessary to be made upon a subject comprising a series of extensive and complicated propositions.

Under the impression just stated, I joined a public Association existing in London, and with a committee of eight persons commenced an investigation of the *state* of the science, the result being, that, in the year 1838 I drew up a report, which received the sanction of the committee.—The object of this report was confined to showing the false state in which the science had been placed before the public mind, and was to have been followed by another work, the purport of which was to have been the elucidation of the true nature of the subject.

Just as the first report was published, my attention was attracted to a Crown Commission which had been formed for the purpose of investigating the causes of the distress of the great body of the people comprised by the Hand-Loom Weavers. It appeared to me that this Commission presented a very favorable opportunity of placing directly before the attention of Government, the new course of argument which it was my intention to construct. With this view I held communication with some of those persons who felt great interest in the successful working of the Commission, and the principles which I intended to adduce were assented to; and a public meeting of the Operative Weavers of Spitalfields having been convened, I was authorized by those who composed it, to construct a case for the Commissioners, and a committee, formed from the general body of Operative Weavers, was appointed, with whom I might confer from time to time.

Instead, therefore, of prosecuting my work in connexion with the Association first alluded to, I turned the matter already put together in my published report on the state of the science, into the first argument which this volume contains. The case was completed a year ago, and, after having been communicated to the committee and other members of the Operative Weavers, was delivered to the Commissioners.

Although I had thus prepared and submitted a case for judgement, yet I continued my reflections and researches, and found matter that might be advantageously added. Part of this has reference to the practical management of the subject, showing the Parliamentary treatment of the great question of free trade, or general commercial policy, and is derived from the speeches of Mr. Huskisson. This, though now inserted, was not contained in the document delivered to the Commissioners; the matter of this volume, therefore, is much more extended in many parts than that of the original argument.

With regard to the nature of the work which I profess to have accomplished, I know that the mere announcement of it will excite feelings of distrust, and even of dislike, in the breasts of many persons. It has been my duty to establish a conclusion against the principle of free action, and this declaration alone is sufficient to call up hosts of enemies. Moreover, the beautiful meaning of the word "theory," has been so generally abused, abstract truth having been so often asserted to be, where falsehood alone was existing, that many persons whose minds would be open to the reception of the truth propounded, may be induced to withhold assent under the impression that public injury in the place of benefit may accrue. It is in my power, however, to allay the fears of all such well-intentioned persons by declaring to them, at the outset, the nature of the remedy proposed, or the course of action which I have to uphold, as the only course that can be adopted without increasing the evil of poverty and destitution. It is as follows:—

Let it be assumed that the community assents to the argument, and agrees to adopt the course of action that is necessarily indicated by the facts therein stated and arranged. It will follow, that all persons will keep possession of the property they have at present. It is established, that a society cannot derive benefit from a retrogressive movement, or by members turning round upon and against each other, and encroaching upon the enjoyment of each other's property;

and the proposition takes also a more extended range, for it shows, not only that benefit cannot be derived, but that a great destruction of value, property, or capital, must ensue from such a course, and thus injury will be the result, or more poverty and destitution be created. The remedy, therefore, is entirely of a *prospective character*. It enjoins that a more moderate and just course, both of desire and of action, be observed in future, than has hitherto been observed. It insists on greater regard being shown to the labor and property of persons in general, and this to be effected by commercial laws being based in future upon the true principle established, in place of the false principle which is brought under examination and condemned.

On discoursing in the presence of many members of the distressed laboring class, upon the great and momentous subject of the natural and social rights of man, it has afforded me the highest gratification to remark the ready assent that has been given to a simple principle of truth or just action. I am bound to declare that this assent has been more readily granted in the instances just adduced, than in the instances of other persons who are far more advanced in the possession of worldly advantages. I do not intend to infer hence, that such persons are superior in their natural dispositions, but I maintain that the fact arises from the greater simplicity of the circumstances amidst which they have lived. When a proposal is made involving two matters, that of an improvement in art or science, on the one hand, and on the other, the good of a fellow-creature, those of a lower rank of life are, at once, willing that the former shall be in subordination to the latter. But when the same proposal is submitted to those of more elevated rank, a pause is made before a decision is given, and ultimately the physical improvement is preferred, and the idea of injury or injustice is carelessly dismissed, accompanied by the assertion that the fact comes within the great general law or not, and that each person must do as well as he can for himself. Individual exceptions there will be in both the cases adduced, but the argument rests, as a matter of course, upon the rule.

It may, perhaps, appear to the reader that the fact which I have just stated may have arisen from the persons with whom I have held communication on the subject having readily acquiesced in the matter I have proposed to them from an inability to argue, or from a disinclination to offer opposition to my views. Such, however, has not been the fact, for my communications have elicited many original observations, and these were of such a character as to render it evident that the matter commented upon was well understood.

What kind of reception the argument will meet with from those persons whose duty it is to consider of and to pass judgement on general rights, it is impossible to foresee. When I call to mind the light, inconsiderate, and worldly spirit, with which public men in general enter upon a discussion of the momentous questions involved in the inquiry, it appears as though the present state of public

feeling must be greatly unfavorable to the influence of truth. If the reader will place the subject before him in one and the following point of view, he will be convinced that the opinion I have just expressed is not dictated by a wish to detract. When he has perused the first argument, he will have before him a simple though a most important fact, namely, that the subject both is and is *admitted to be*, undemonstrated; and, moreover, in a state of the utmost uncertainty and confusion. This being the fact, let him then remember, that a law has been framed lately, destructive of a principle which has been observed for ages, and by many held sacred. I allude to the infliction of the usury laws. I maintain that every feature of the state of our knowledge rendered it a most imperative duty that such a course as that of altering the usury laws should *not* have been taken, and yet the contrary has been adopted. Taking into consideration the evidence extant upon the subject, and the passing of the law alluded to, it would appear as though there was no necessary connexion between a knowledge of a subject and legislating upon it.

Of whatever nature the general reception of the argument may be at the present period, I know that it will be received with favor, and be held as true, by those who devote their affections to the great principle upon which it is asserted that the argument is founded. Difficulty will exist in the cases of those who, trusting entirely to intellectual power and research, have arrived at opposite conclusions; and also with those, forming a large class, who, exercising intellectual power and research in the lowest degree, are nevertheless inclined to adhere pertinaciously to their own views. It is probable that few of such persons will be induced, or will be able, so to accompany the course of reasoning and to command a correct view of it, as to get rid of long-cherished opinions. In the instances of younger, purer, and more vigorous minds, such obstructions will not exist; and hence it may be that the greater assistance to the cause of truth may spring up from a rising generation.

Although it is interesting, yet it is unavailing to speculate, as to whether the more extended recognition and adoption of the true cause of the prosperity of nations are likely to be brought about immediately or remotely. In the mean time events must be progressively evolved. Derangements are occurring in the circumstances of all states, in a degree, perhaps unparalleled in the history of nations, and I think I am justified in adding, that they are more especially visible in the circumstances of our own country. These, as they increase and become more pressing, will naturally impel the minds of men upon a course of strenuous exertion and eager investigation.—To discern with accuracy the issues of such great events is not within the scope of human foresight, but the *power to form and to direct them has*, ages ago, been given, though, unhappily, it has been neglected and contemned. To evoke this power is my object in the following work.

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POLITICAL ECONOMY.

To the Commissioners appointed by Her Majesty
for Inquiring into the state of the Hand-loom
Weavers:

GENTLEMEN,

A public meeting of the Hand-loom Weavers of Spitalfields having been held on the 26th of July last, a Resolution was passed, whereby I was requested and authorized to attend your Board, and to act on their behalf.

In order to become acquainted with the entire nature of the important trust thus reposed in me, I have read attentively the Book of Instructions which you have issued to your Assistant Commissioners, and which I find to contain a clear and full exposition of the several matters or branches of inquiry which are to form the business of your Commission.

These are classed under three divisions:—

Firstly,—The actual state of the Hand-loom Weavers.

Secondly,—The causes of this state.

Thirdly,—The means whereby the state may be remedied or ameliorated.

Now, with regard to the first, I submit to you that I have no need to treat of it at all, as I know by personal observation, and believe it to be sufficiently notorious, and shall, therefore, take it as granted to me by you that their state is a very distressed one, and calls upon us to make the strictest and most patient investigation, first into its causes, and then into remedies. It will be my duty, consequently, to direct my attention, and to confine the matter of my argument to these two branches of the subject.

Upon referring to your Book of Instructions, I find that at page 19, you commence setting out or suggesting certain causes as fitting to be inquired into, and from amongst these I desire to cite the following as leading ones.

SUGGESTED CAUSES OF THE EVIL.

"1st. Whether from the diminution of the demand for their labor, arising from a diminished demand for the articles on which it is employed, as in the case of the substitution of woollens for silks?

"2nd. Whether from a different mode of manufacturing the same articles, as in the case of the substitution of the power-loom for the hand-loom?

"3rd. Whether from the substitution of foreign for British weavers, occasioned either by the importation of foreign goods, or by the promotion of foreign manufactures by the export of yarn?

"4th. Whether by restrictions imposed by foreign States on the import of British manufactures?

"5th. Whether by the laws affecting the importation of corn?

"6th. Whether by the resumption of cash payments?

"7th. Whether by the general pressure of taxation?

"8th. Whether by the increase of their numbers without a proportional increase in the demand for their labor?

"9th. The state of things which affect the ratio of wages.

"10th. Moral causes and state."

And when treating of the great question of remedies, you express, at page 29, that they who propose such, must be required "to explain in detail both the object to be effected, the means to be used, and the process by which the proposed means are to produce the contemplated effect." And again at page 30, "To inquire into the probable effect of any proposed remedy, not only on the branch of trade for whose relief it may be proposed, but also on the *community in general*—and where the proposed measure, if adopted, would extensively affect the whole community; in the cases, for instance, of a repeal or alteration of the corn-laws, or a debasement of the currency."

Upon surveying attentively the catalogue of important matter thus propounded for consideration and solution, it will be evident that the successful issue of the investigation proposed, would resolve itself into a perfect delineation of the science of social or political economy.

Such being the fact, it will be my duty to treat at considerable length—firstly, of the existing state, and secondly, of the nature itself of the science. For if we should be induced to content ourselves with a partial, that is, an insufficient examination of the great questions advanced, the object for which the Commission has been formed must inevitably be frustrated, and while in that case the community would be left in ignorance, not of causes alone, but also of remedies, the suffering parties would be consigned to a state of protracted and aggravated distress. Much, therefore, as I could wish to abbreviate the matter of my communication, yet I am convinced that it cannot be done, and at the same time justice be rendered to the great and important subjects which you have so fully set forth for elucidation. I have indeed now before me a precedent of failure on this point. It is that of a Government Commission,* issued lately for a purpose somewhat similar. The questions propounded were those in political economy, and had reference to the advantages likely to accrue to the community from a certain contemplated course of commercial policy. The Commissioner to whom the inquiry was intrusted, framed his questions and referred them for answer to many of the most competent persons in the country. All these persons gave in their answers shortly, and merely as *matter of opinion*, no strict line of ar-

* Mr. Bellenden Ker's Report on the Law of Limited Liability.

gument being attempted. On receiving the various opinions, the Commissioner perused them and weighed them in his mind, but they were all so insufficient and contradictory that he could arrive at no satisfactory conclusion; consequently, the result of the investigation or the Report, proved a failure, and was so returned by the Commissioner himself, and thus the whole labor of the inquiry was lost to the country, the subject remaining in the same state of darkness as it was before the commission was issued.

The necessity, therefore, for a full and unrestricted inquiry being apparent, I beg to assure you that I will spare no labor that may appear to me requisite for rendering the investigation, complete; and I trust that you will bestow upon my work a calm and steady examination, notwithstanding the imperfection either of matter or of manner which it may contain.

Having prefaced thus much, I will, in the next place, and before I enter upon the main argument itself, call your attention to the method which it appears to me necessary to adopt for the management of the important case which I shall have to submit for your judgement. With regard then to the arrangement of my argument, I beg to inform you that I think it necessary to form it into three distinct divisions. The first division will be an examination of the argumentative matter, by means of which the most approved writers on political economy have attempted to establish the principles and to unfold the truth of that science. If the result of my course of procedure in this quarter, that is, my investigation of the STATE of the science, had enabled me to determine that the theory of the formation of wealth, as it has been propounded to the world by these writers, has been fully and perfectly argued; that the conclusions which its authors have arrived at, are such strict issues from correct premises as would warrant a legislative assembly in adopting them as the foundation of a system of commercial action; my labor would have terminated here, and I should merely have

to lay before you, in a manner as clear and succinct as possible, the train of argument by means of which such theory had been established, and then to urge for adoption a course of action in conformity with this theory, as being the only method of relief applicable to the great and pressing emergency, which the case before us presents.

As, however, this is not the fact, but, on the contrary, as I shall have to show you the discrepancy of opinion, the contrariety of argument, and the manifest errors of writers whose works I have carefully examined, consequently, the scope of my first argument will be that of establishing, by means of these errors, a negative proposition against the theory of commercial economy which has been propounded and upheld by them, and which, in a great degree, has guided the legislature in framing or abrogating our commercial laws. Having adduced this evidence of a scientific character, I shall then enter upon an examination of the argumentative matter that has been directly submitted to the judgement, and has influenced the decisions of Parliament, and which was put forth by a statesman whose authority upon the subject of commercial policy is gene-

rally held as the highest extant. This I shall show is of a character similarly deficient and erroneous.

In order to effect the object thus stated, it will be necessary that I should adhere strictly, in this my first argument, to the method of reasoning by analysis.

As the matter of my first argument will be confined to the demonstrating a negative proposition, or showing what is not the truth; in that of my second, I shall direct my labor to the constructing an affirmative proposition, or the demonstration of what is the truth. In order to effect this object, it will be necessary for me to adopt the process of reasoning the opposite of that made use of in the first instance, namely that of synthesis instead of analysis, of construction in the place of decomposition; commencing at simple premises, and advancing by means of their various inductions until I am able to arrive at the required conclusions.

The third division of my argument will be that of showing the method of adapting a true principle to a system moving chiefly under a false one. This, therefore, will be remedial. The method of reasoning to be observed in this will be correlative or issual, depending for its truth, as a matter of necessity, upon the correct construction of the preceding or affirmative proposition.

To state the arguments shortly, they will then stand thus:—

1st. The proposition to be established—negative: the method of reasoning—analytical.

2nd. The proposition to be established—affirmative: the method of reasoning—synthetical.

3rd. The proposition to be established—adaptive or remedial: the method of reasoning correlative or issual.

ARGUMENT FIRST.

Method—Analytical. Proposition—Negative.

PART I.

With reference to the great body of important matter included in the questions of your Book of Instructions, and, I may add, with reference also to the entire science of political economy, there can arise no greater or more interesting proposition to be solved than this, namely, whether home or foreign trade be most advantageous to a country? I propose, therefore, commencing my argument, by making this question a test; and the matter which I must necessarily extract and examine, for the purpose of showing in what manner this great question has hitherto been treated, will open to view the state of information in which the public mind is, with regard to many of the important subjects which it is the object of your commission to have inquired into, considered, and proved.

I will now re-state the question propounded.—It is this:—

What would be the effect, on the circumstances or capital of a country, of abandoning any given home trade, and adopting a foreign in its place?

I now proceed to prove how feebly, inefficiently, and falsely, this great proposition has been treated by those writers who are considered to be the chief authorities.

In the second book, and the fifth chapter of the great work of Adam Smith, the "Wealth of Nations," the author treats of the different employment of capital. After advertizing to the various kinds of productive industry, he necessarily comes to the question of the comparative advantageousness of home and foreign trade, and gives his decision in favor of the former, and, in order to prove its correctness, frames the following proposition:

"The capital which is employed in purchasing in one part of the country, in order to sell in another the produce of the industry of that country, generally replaces, by every such operation, two distinct capitals, that had both been employed in the agriculture or manufactures of that country, and thereby enables them to continue that employment. When it sends out from the residence of the merchant a certain value of commodities, it generally brings back, in return, at least an equal value of other commodities. When both are the produce of domestic industry, it necessarily replaces, by every such operation, two distinct capitals, which had both been employed in supporting productive labor, and thereby enables them to continue that support. The capital which sends Scotch manufactures to London, and brings back English corn and manufactures to Edinburgh, necessarily replaces, by every such operation, two British capitals which had both been employed in the agriculture or manufactures of Great Britain.

"The capital employed in purchasing foreign goods for home consumption, when this purchase is made with the produce of domestic industry, replaces too, by every such operation, two distinct capitals; but ONE of them only is employed in supporting domestic industry. The capital which sends British goods to Portugal, and brings back Portuguese goods to Great Britain, replaces, by every such operation, only ONE British capital: the other is a Portuguese one. Though the returns, therefore, of the foreign trade of consumption should be as quick as those of the home trade, the capital employed in it will give but ONE-HALF the encouragement to the industry or productive labor of the country."

Now, in the passage just cited, its author has arrived at the conclusion that foreign, as compared with home trade, gives but ONE-HALF the encouragement to the productive labor of a country, or, in other words that home trade is doubly productive over foreign, on account of its keeping in operation two distinct sources of production. I will, in the next place, invite your attention to a similar decision, laid down by the French economist, Monsieur Say. In the 1st volume, and the 248th page of the works of this author, as translated by Princep, there is the following passage:

"The British government seems not to have perceived that the most profitable sales to a nation are those made by one individual to another within the nation; for these latter imply a national production of two values—the value sold, and that given in exchange."

Now, this proposition of Say's is identical with that laid down by Adam Smith, and it is also more clearly and concisely expressed. Thus two

of the most eminent writers on the science of political economy answer the question now propounded in similar way, being compelled, by the facts of the case, to agree in their conclusion, that home trade is doubly advantageous over foreign.

I now desire to call your attention to the manner in which the propositions here laid down by Adam Smith and Say have been met by authors who have more recently directed their labors to an investigation of the science. In the work of Mr. McCulloch, entitled, "Principles of Political Economy," in the 5th chapter the author is writing under the head of "Commerce," and herein he necessarily arrives at the question as to the different nature of home and foreign trade; and, at page 147 of this chapter, the following passage occurs:

"I shall not imitate the example of most writers on commerce, by entering into a lengthened examination of the question whether the home or foreign trade be most advantageous. It is, indeed, quite obvious that it admits of no satisfactory solution."

By this passage, you will perceive that its author evades an examination of the propositions of Adam Smith and Say; and endeavors to get rid of the task of proving, by advancing the weak, the unphilosophical, and, therefore, the unwarrantable assertion, that the subject does not admit of solution. He then continues his remarks, but as these are consequent on the above admission of weakness, it was not to be expected that they would be of a character other than vague and erroneous. It does not appear to me essential to quote them here at length, though on a subsequent occasion, I shall have to enter upon a minute examination of the most particular portion of them. As merely referring to them at present, I beg to remark, that the author having no command of a true hypothesis, and declining the task of finding one, advances in his argument by means of taking a false one as granted him, which being done, his deductions, as a matter of course, are then easily worked out. Although I do not bring the whole of these passages forward to form a part of my case, nevertheless I desire to draw attention to them, because they furnish a good illustration of how little care, and how little of accurate reasoning, have been employed in constructing arguments on the important subject to which they relate. The matter alluded to is contained in pages 147 to 159 inclusive.

Leaving this part of the work, therefore, for more ample examination on a future occasion, it is necessary for me to have recourse now to another by the same author, and which has been more recently presented to the public. The title of this work is "Commerce," and it was published under the auspices of the Society for the Diffusion of Useful Knowledge. In the second chapter of this work the author, when dilating on the various kinds of trade, necessarily arrives a second time at the same great question, namely, the comparative advantageousness to a country of home or foreign trade, and herein he does not evade the question in the same manner as he did in his first treatise, but ventures somewhat further into the arena of discussion. His commencement, however, is of a similar character. At page 13 of this work there is the following passage:

"It is clear, therefore, that in estimating the comparative advantageousness of the home and foreign trades, it will not do to look merely at the number of transactions in each. The real question is, which occasions the greatest subdivision of employments, and gives the most powerful spur to industry? This, however, is a question that does not, perhaps, admit of any very satisfactory solution."

Following almost immediately upon this reiteration of the above remarkable assumption, the author for the first time makes direct allusion to the proposition of Adam Smith, which he quotes, and then attempts its refutation by means of the following series of assertions:

"Now it will be observed, that Dr. Smith does not say that the importation of foreign commodities has any tendency to forego capital abroad; and unless it do this, it is plain that the statement in the above paragraph is quite inconsistent with the fundamental principle he has elsewhere established, that the productive industry of every country must always be proportioned to the amount of its capital. Suppose, for the sake of illustration, that the case put by Dr. Smith actually occurs that the Scotch manufactures are sent to Portugal, it is obvious that if the same demand continues in London for Scotch manufactures as before they began to be sent abroad, an additional capital, and an additional number of laborers will be required to furnish supplies for both the London and Portuguese markets. In this case, therefore, instead of the industry of the country sustaining any diminution from the export of the Scotch manufactures to a foreign country, it would evidently be augmented, and a new field would be opened for the profitable employment of stock. But if at the same time that the Scotch began to export manufactured goods to Portugal, the Londoners also found out a foreign market, where they could be supplied at a cheaper rate with the goods they had previously imported from Scotland, all intercourse between Scotland and London would immediately cease, and the home trade would be changed for a foreign trade. It is obvious, however, that this change could not occasion any embarrassment, and that it would not throw a single individual out of employment. On the contrary, a fresh stimulus would be given to the manufactures both of Scotland and the Metropolis, inasmuch as nothing but their being able to dispose of their produce to greater advantage could have induced the merchants to change the home for a foreign market. The fact is, that when a home trade is changed for a foreign trade, an additional capital belonging to the nation with which it is carried on, enters into it; but there is no diminution whatever either of the capital or industry of the nation which has made the change. So far from this, they are plainly diverted into more productive channels, and are employed with greater advantage.—(For some further remarks on this subject, see Ricardo's 'Principles of Political Economy.'")

The passage just quoted is the only matter which this author has put together for the purpose of meeting the all-important proposition which is now under examination. It cannot fail

to be remarked, on a superficial consideration of it, that its meaning is obscure, and almost unintelligible; a continued scrutiny enables us to perceive that it is not sense. It is obvious that, when the author of it arrived at this part of the extensive and important subject on which his mind was occupied, and found a proposition laid down by two of the leading authorities, differing so widely from that which he expected to find, and differing also from that which would be necessary to enable him to carry onward his own arguments on the subject, he felt convinced the impediment to his progress would be insurmountable, if the truth of this proposition should be conceded. He therefore approached it distrustfully, and, before mooted an adverse argument, declares that such a proposition does not admit of solution; and, such a declaration being made, it will not create surprise that the passage quoted above does not solve it. I should dwell much longer on this passage, and should deem it my duty not to quit it until I had unraveled all its intricacies, and shown clearly how incapable of reconciliation, and of being formed into unity of argument, all the matter is which has been forced into it, only, as you will observe, at its conclusion, the author refers to the work of Mr. Ricardo for a further elucidation of his own views of the subject. A complete analysis of Mr. Ricardo's proposition will, in fact, comprehend the whole matter of argument contained in both.

I shall, in the next place, then, invite your attention to the argument made use of by Mr. Ricardo, in order to meet and to overthrow the proposition under consideration. On approaching this argument, I cannot omit to lay most particular stress on its peculiarly interesting nature.—In my opinion, it forms the most important problem which is to be found among all that has been written upon the science of political economy. Its author has openly and boldly ventured out from beneath the obscuring power of language, and, relinquishing its imperfect instrumentality, has committed his arguments to the solid form of fact, worked by figure, from which, you will be aware, there are no means of escape. By such a method, the right or the wrong must be established indisputably; and I beg leave to remark, in passing, that no writer on the subject we are now treating of, should be allowed to claim for his conclusions the character of truth, who cannot submit them to be tried by this test. I now beg your most particular attention to this problem.

On referring to the writings of Mr. Ricardo, I find, in the 22nd chapter of his work, entitled "Principles of Political Economy," that he is writing under the head of "Bounties and Prohibitions," and at page 401 he notices and quotes the proposition of Say, and declares that he will examine the soundness of the opinion in another chapter. Subsequently, therefore, in the 26th chapter, and page 444, the author quotes at full the proposition of Adam Smith, which, as I have before remarked, is identical with that of Say.—He then proceeds in his attempt to exhibit its fallacy by means of the following proposition:—

"This argument appears to me to be fallacious; for though two capitals, one Portuguese, and one English, be employed, as Dr. Smith supposes,

still a capital will be employed in the foreign trade double of what would be employed in the home trade. Suppose that Scotland employs a capital of a thousand pounds in making linen, which linen she exchanges for the produce of a similar capital employed in making silks in England. Two thousand pounds, and a proportional quantity of labor, will be employed in the two countries. Suppose now that England discovers that she can import more linen from Germany for the silks which she before exported to Scotland, and that Scotland discovers that she can obtain more silks from France in return for her linen, than she before obtained from England—will not England and Scotland immediately cease trading with each other, and will not the home trade of consumption be changed for a foreign trade of consumption? But, although two additional capitals will enter into this trade—the capital of Germany and that of France—will not the same amount of Scotch and English capital continue to be employed, and will it not give motion to the same quantity of industry as when it was engaged in the home trade?"

Now the foregoing argument contains two distinct propositions. The first is this:—

Scotland	England
Linen	Silks
£1000	£1000

These, exchanged for each other, make a capital of 2000*l.* value, and employ, as the author states, a proportional quantity of labor. Now the question to be tried is, what will be the effect of leaving off the exchanging or consuming these home productions, and converting the trade from a home into a foreign? This the author proposes to show will be followed by no ill effect, and, in order to prove his assertion, he changes the facts of his proposition thus:—

Germany	France
Linen	Silks
Scotland	England
Linen	Silks

Now in the factitious case which the author has here constructed, he has set out by declaring Scotland to be a bad market for linen, and England a bad one for silks, on which account they cease to trade with each other. Having thus, in his first proposition, made England reject the production of Scotland, and Scotland reject the production of England, he has then, in his second proposition, preserved both these rejected commodities, and made the Germans purchase the one, and the French the other: and by such an argument has attempted to show that neither the capital of England nor that of Scotland will sustain injury. But it is self-evident that the same reason which induced the people of Scotland to cease buying the silks of England will also prevent the people of Germany from resorting to her market; and the same reason which induced the people of England to cease buying the linens of Scotland will likewise operate in preventing the people of France from doing so. In the natural course of things, France and Germany will trade with each other for the two commodities adduced, and England and Scotland must cease to manufacture them, whereby these two sources of exchangeable production must be,

in the first instance, injured, and, in the next, lost. Thus it is evident, that the second or altered proposition is an error, and that its author has endeavored to sustain his argument by supposing an impossible example. The problem, therefore, frayed by Mr. Ricardo, and relied on by Mr. McCulloch, instead of overthrowing the proposition of J. B. Say and Adam Smith, presents nothing better than a confused mass of jarring and conflicting matter which annihilates its own existence.

Having thus brought under your notice the entire matter of argument which has been constructed for the purpose of meeting and getting rid of the *main question* of the science of Political Economy, I think it right, in order that the means of distinguishing truth and falsehood on this important subject may be increased as much as possible, to have recourse to another issue, which has a direct bearing upon the question under discussion. The issue to which I now beg to invite your attention is the effect produced on the capital of a country by absentee expenditure. With regard to this much disputed point, I find in Mr. McCulloch's work, "Principles of Political Economy," at page 157, the following passage:—

"What has now been stated *goes far to settle* the disputed question as to the influence of absentee expenditure. If an English gentleman, living at home, and using none but foreign articles in his establishment, gives the same encouragement to industry that he would do were he to use none but British articles, he must, it is obvious, do the same thing, should he go abroad. Whatever he may get from the foreigner, when at Paris or Brussels, must be paid for, directly or indirectly, in British articles, quite in the same way as when he resided in London. Nor is it easy to imagine any grounds for supposing his expenditure in the latter more beneficial to this country than in the former."

In a note, at the bottom of the same page, there is also the following sentence:—

"The question really at issue refers merely to the spending of revenue, and has nothing to do with the improvement of estates; and, notwithstanding all that has been said to the contrary, I am not yet convinced that absenteeism is, in this respect, at all injurious."

These are the passages which bear upon this point, and I beg to express an opinion that, if the conclusion here arrived at were taken by *itself*, and made the basis on which to construct an argument, sufficient evidence would arise directly out of it to show clearly that some great error had been admitted into the train of deduction from which it emanated. You will not fail to remark on the *doubtful* expressions here made use of. The evidence of fact which he adduces, the writer says '*goes far to settle*.' Now, in a train of *perfect* reasoning, there can be no degree or limitation of power admitted. It either does or does not prove. Again, he says "IF an English gentleman, living at home," &c. Now, in this passage, you will observe the importance of the word *if*. The previous proposition granted, then the corollary follows as a correct deduction, and cannot be disallowed. If we grant a false hypothesis, we must also grant a false deduction, and likewise a false conclusion. Such a course

I admit to be logically correct. But then I deny the validity of the previous proposition, or the hypothesis out of which the deduction issues, and, my objection substantiated, it follows us a necessary consequence that from this point the entire number of issues are erroneous. I contend that it is the duty of those who, in the pursuit of truth, arrive at conclusions which stagger their judgements, not to content themselves by pleading the correct issue out of a previous proposition, but to try the argument back, until they have examined every part, from the extremest conclusion backward to the minute principle from which their first deduction issued; for by such a course they could not fail to find the exact point where error entered. You will remark also, in the last passage quoted, that the author seems inclined to admit that the evidence which has been adduced, by viewing the subject through the medium of the question now under consideration, affords a preponderance against his own conclusion; for, in the place of expressing a reliance on his own view, his words are, 'I am not yet convinced that absenteeism is at all injurious.'

In order to show clearly the unsubstantial and false nature of the argument thus set forth, I will invite your attention superficially to the working out of facts in conformity to the reasoning here attempted to be upheld. In accordance with the admitted hypothesis, its supporters are under the necessity of arguing that absentee expenditure, or, in other words, the free principle of commerce, brings about the best or most prosperous state of things for all countries concerned in such exchanges or commerce. Now, as an example, I will suppose the case of a wealthy person residing in Ireland, who, in exchange for his own various productions, is in the habit of demanding the productions of others for the consumption of himself and family, that is, he expends in that country his income of 10,000*l.* per annum. Such a person resolves to quit Ireland, and to reside in London. Now, according to the free doctrine, this is to become a more advantageous arrangement of circumstances, both for the people of Ireland and England. After a considerable lapse of time, the same person resolves upon quitting London and going to Paris. Then again, this is to become the more advantageous arrangement for Ireland, England, and France. Again, he quits Paris for Rome, then this becomes a still better state of things. Again, he quits Rome for Naples, so at last this becomes the best. But I will now draw into instance another state of things, and that, too, which frequently occurs. The same person resolves upon turning round. He quits Naples, and retraces his course first to Rome, then to Paris, then to London, and lastly, settles down again in his own country, Ireland. Now, according to the free doctrine, the principle is to reverse its operation, and the residence or the demand for commodities at Naples, which was so lately at the extremity of the good scale, is suddenly to become at the extremity of the bad scale; and the residence in Ireland, which was before set down at the extremity of the bad, is to become now at the extremity of the good, and all this is to take place merely by the volition of persons who have been moved. However absurd such a course of

reasoning may appear, and in fact is, nevertheless, an arguer on the side of the free principle is under the necessity of upholding it, for by it deductions are correctly worked out from received premises. It shows, however, how totally devoid the system is of any sound or guiding principle.

Moreover, with regard to testing the theory of commerce by the question now under consideration, that is, absentee expenditure, we may remark upon the discord which the question makes among the advocates themselves of the free principle. We are often called upon to notice the incongruous example of statesmen upholding the doctrine of free trade in one argument, and then, upon being constrained to advance with it, and to be bound by its legitimate conclusions (among which is the *beneficial* effect of absentee expenditure on a country), they turn and argue in opposition to it. I have now before me a speech made by a conspicuous practical statesman of the present era, who, it may be presumed, is as cognizant of the effects of absentee expenditure, be they what they may, as any person can be. I allude to Mr. O'Connell. In this speech he argues most determinedly and most emphatically against the doctrine, whereby it is asserted that absentee expenditure is productive of no mischief to his own country, Ireland; while, upon another occasion, the same statesman will be found to contend in his place, in the House of Commons, on the side of the free principle of commerce.

Having thus collected together and exhibited the aggregate results of the *arguments in chief* which have been written for the purpose of illustrating the important question propounded at the commencement of my argument, I think it necessary to examine, as affording direct evidence on this branch of the subject, the work of one other author, which is that of Mr. Poulet Scrope. I am induced to make reference to this work, because it has been more recently presented to the public, and therefore, if any additional matter of value, as elucidating the laws of the science generally, had been deduced either by himself or others, we might expect to find it in this work. I have, however, to invite attention to a remarkable identity of argument with that which I have already submitted for consideration, namely, confessed inability in the first instance, and palpable error in the last;—premises *admitted* to be doubtful;—and the inevitable sequence;—conclusions manifestly wrong.

In the work of this author, entitled, "Principles of Political Economy," in the first chapter, page 41, there is an attempt to delineate general principles as arising out of the nature of the science; and herein it is begged to be received as an axiom, that the matter which the mind meets with, when occupied upon the investigation of its laws, does not admit of the attainment of accurate results; and in order to have this license for incorrect reasoning granted him, the writer constructs the following passage:—

"The principles of Political Economy must obviously be deduced from axioms relative to the conduct and feelings of mankind under particular circumstances, framed upon general and extensive observation. But neither the feelings nor the conduct of a being like man, endowed

with mental volition, and infinitely varying degrees of sensibility can, with any thing like truth, be assumed as uniform and constant under the same circumstance. Hence the highest degree of certainty which can belong to the principles of Political Economy will amount only to moral probability, and must fall far short of the accuracy that characterizes the laws of the physical sciences. This consideration should have prevented the attempts which have been made by many writers on Political Economy to attribute the force of mathematical demonstration to its conclusions. The fashion just now among this class of inquirers is to designate their favorite study as 'Political Mathematics,' but it would obviously be just as reasonable to give the name of 'Ethical Mathematics,' to the sister-science of morals. The rules of economical policy are to be ascertained only by studying the same variable course of human action, and with a reference to the same indefinite end—the happiness of the species—as the rules of morality. Far from partaking of the character of an exact science, like the mathematics, which deals in the qualities of abstract and imaginary entities, it has not even the fixity of any of the natural sciences to whose study the mathematics are usually applied; the facts of which it takes cognizance consisting only of such variable, vague and uncertain essences, as compose human pains and pleasures, dislikes and preferences."

Thus you will perceive that the author commences his investigation of the science with the acknowledged adoption of an indeterminate or doubtful principle; notwithstanding which, when dilating on conclusions, he sets them down as determinate, or positive; or, in other words, of two propositions, not being able to comprehend the lesser, he nevertheless, professes to comprehend the greater, which *includes* the lesser; and of this you will be convinced on perusing the following passage, extracted from page 37 of the same chapter:—

"Nor are errors on this subject by any means confined to those who have pursued its study in their closets. On the contrary, the most pernicious fallacies, and absurd paradoxes, have been, and still are, generally current among those who pride themselves on being "practical" men, and on despising theory. There are, indeed, few rasher theorists than those who habitually exclaim against theory. The notions, for example, that a country is enriched by what is called a favorable balance of trade causing an influx of the precious metals; that the expenditure of taxes, in employing the people, compensates them for the burden of taxation: that improvements in machinery are injurious to the laboring class; that one individual, or one country, can only gain at the expense of another; that the outlay of an absentee's income abroad, or the introduction, for sale in this country, of an article of foreign manufacture, abstracts an equal amount of employment from our native industry;—these, and many others that might be mentioned, ARE theoretical doctrines of the falsest and most injurious character, taken up by numerous persons, on what they consider the authority of common sense, but

which, in truth, is merely crude induction from a very limited and imperfect experience."

Of the passage just quoted, I beg to call your attention, in a more particular manner, to that part having reference to the outlay of an absentee's income, and the introduction for sale, into a country, of an article of foreign manufacture; for herein the author's conclusion does not partake, in the slightest degree, of the nature of doubt, but his opinion is of a character entirely positive. Thus it is at the commencement of his investigation, when he can deal with the facts of the subject in so cursory a manner as to mould them accordantly with his own will; but I shall now request your attention to another part of his work, where his course of argument is presented under a very altered aspect. In the fifteenth chapter, and at page 393, and following, the author arrives at that stage of his investigation where the facts necessarily coerce him into an abandonment of simple assertions, and conclusions unconnected with premises, and, in their places, to trace, with some degree of accuracy, the agency and connection of cause and effect; and now you will remark that the facts of his proposition, though badly and confusedly worked together, yet lead him to the necessity of reversing his former conclusion. The passage is long, and, on account of ill-arrangement, and the commingling of heterogeneous matter, will prove tedious on perusal; notwithstanding which, it must be carefully separated and minutely examined, and, this being done, I feel certain you will be of opinion that it contains a complete summary, and, consequently, affords an additional proof of the weak, ill-constructed, and false line of argument by which it has been attempted to develop the truth of this great subject. The passage is as follows:—

"The disputed question of the effects of absenteeism is connected with that of commercial restraints, and, therefore, comes properly into discussion in this place. The moral benefit which the residence of landlords upon their estates tends to confer upon society, has been conceded by those who at first denied that residence was any advantage whatever, and consequently, that absenteeism could be any injury. The economical consequences of absenteeism, so far as relates to England, consist, *it appears to us*, simply in such as may flow from the landlord's income being expended in the employment of one branch of industry rather than another, or of the inhabitants of a town rather than of a country district. If an English landlord reside in London, and expend there his rental, drawn from Yorkshire, the tradesmen, &c., of London, gain all that the tradesmen, &c., of Yorkshire lose. If he reside abroad, his rental must be remitted indirectly, in British manufactured commodities, and its expenditure, therefore, gives the same aggregate employment to British capital and labor, as if he resided in the country, and spent it on British goods of a different kind. To put an extreme case, were even the whole rental of the kingdom spent abroad, there would still be as much employment afforded to British industry as before. RUIN would no doubt fall upon the tradesmen of London, of our watering places, and MANY country towns and villages;

** but Manchester and Sheffield, Leeds and Liverpool, would gain in exact proportion to the loss sustained by other places.* The rental could not be remitted, except in the form of British manufactures, fabricated at some of these places. It is not meant to deny that great injury would not result from the absenteeism of all our landed proprietors; but the injury would be of a moral and social rather than an economical nature.

"The case of Ireland, however, differs from that of Britain, in this remarkable point, that, while the latter exports solely manufactures, the exports of Ireland consist solely of food,—corn, butter, pork, beef, &c. In her case, therefore, that portion of the raw produce of the soil which accrues to the landlord as rent, will, if he is an absentee, be directly exported, as the only means of remitting his rent, instead of being consumed by manufacturers at home, while working up goods for exportation, as in England. The English absentee landlord may be considered as feeding and employing, with the surplus produce of his estate, that portion of our manufacturing population, which is engaged in fabricating the goods that are sent abroad to pay his rent. The Irish absentee, on the contrary, can only have his rent remitted in the shape of food—there is no secondary intervening process whatever; and the more food is in this way sent out of the country, the less, of course, remains behind to support and give employment to its inhabitants. If these were all fully fed and employed, no harm would result from the exportation of food, as is the case, for example, with some parts of North America. But so long as the people of any country are, as in Ireland, but half-employed, and half-fed—so long, to export food from thence, will be to take away the means existing in the country for setting them to work, and improving their condition. Should the Irish absentee landlord return to reside at home, a considerable portion of the food now exported to pay his rent would be transferred by him to Irish tradesmen, artisans, and laborers, whom he could not avoid employing to satisfy a variety of wants. Ireland would profit, *pro tanto*, by the additional employment and subsistence afforded to her inhabitants. As it is, she loses, by the absence of her landlords, exactly what she would gain by their return."

As I feel called upon to remark generally upon the absence of coherency, and also upon the incorrectness with which the propositions contained in the foregoing passages are put together, and to invite your attention to the discrepancy that exists between the line of argument, which it contains, and that previously adduced from the earlier part of the same work; yet I must beg you to fix your notice more especially on the paragraph near the end, commencing with the words, "Should the Irish absentee landlord return to reside at home," &c. because it will be found that in this passage there is a reconstruction of the identical proposition of the two sources of production as laid down by Adam Smith and Say, only, the conclusion is substantiated by means of a backward process of inference. And here it is interesting to note the strong agency of facts in urging on a recognition of truth; for in the in-

stance now before us it is accomplished, even though the mind of the author is in a state so perplexed and bewildered by the previous advocacy of an opposite line of argument, that it does not perceive the consequences issuing out of the proposition it has been under the necessity of constructing; hence, no material change in his general conclusions, or even a doubt of their validity is effected, on account of the adoption by himself of a contrariety of argument.

At this part of the investigation, I desire to call your attention to another remarkable feature pervading the entire matter of argument now brought under notice. It is manifest, that the duty imperative on those who were arguing the case, was, to have exhibited a well-defined source of advantage accruing from the proposed change: for the object sought to be attained by making the change is that of opening a way to the formation of ADDITIONAL capital, in order that the increase of the means of sustaining population, and the increase of population, may be preserved in a progression justly proportioned, the one to the other. In the place of which, the whole attention has been absorbed, and the whole strength of argument expended, merely on the attempt to show that from such a change as that contemplated no retrogressive movement, or ill effect will ensue; and even on arguing the case in this improperly limited and unbeneficial sense, all the efforts to sustain it, have proved futile.

The deficiency to which I have just called attention, though pervading the whole of the arguments adduced, is yet rendered so conspicuous in the passage last quoted from the work of Mr. Poulet Scrope, that I cannot avoid feeling the greatest surprise at its having escaped the notice of the author himself. This writer, when dilating on the consequences of indulging to a very great degree in a taste for foreign commodities by the people of this country, frames his case succinctly, and then decides upon its results. He has informed us, that in the event of a great portion of the income of the country being expended abroad, *ruiu* would without doubt fall, first on the tradesmen of London; then upon those of our watering-places; then upon many country towns; and then upon many villages;—but that Manchester and Sheffield, Leeds and Liverpool, would gain in exact proportion to the loss sustained by the other places. Now if I should concede the possibility of realizing the theory here advanced, by admitting that the loss will be succeeded by the gain, or the decrease by the increase, (and I shall have to show hereafter that it will not;) yet, taking the terms of the proposition as granted strictly, even then, the result must be in every way prejudicial. The writer asserts that the gain of some places will be "*exactly proportioned*," to the loss of others. Now the words "*exactly proportioned*," must of necessity assign an equal measure or quantity to both the predicates of this proposition. The implication therefore is, that the predicate antecedent, and the predicate precedent are equal the one to the other. The problem will then stand thus. Let the subtraction from an ascertained congregate be equal to the number 1000,—let the addition to another ascertained congregate be also equal to the number 1000,—hence, no increase in the aggregate.

It follows, therefore, that the postulate or object required, which is increase, is not found.

I will now bring forward another error, which is similar and of equal importance to that which I have just examined. It is contained in that part of Mr. M'Culloch's "Principles of Political Economy," to which I have before alluded, and occurs at page 155. It is as follows:

"Admitting however, that the total abolition of the prohibitory system might force a few thousand workmen to abandon their present occupations, it is material to observe that *equivalent* new ones would, in consequence, be open to receive them; and that the *total aggregate demand for their services would not be in any degree diminished*. Suppose that, under a system of free trade, we imported a part of the silks and linens we now manufacture at home: it is quite clear, inasmuch as neither the French nor Germans would send us their commodities gratis, that we should have to give them an equal amount of British commodities in exchange; so that such of our artificers as had been engaged in the silk and linen manufactures, and were thrown out of them, would, in future, obtain employment in the production of the articles that must be exported as equivalents to the foreigner. We may, by giving additional freedom to commerce, change the species of labor in demand, but we *cannot lessen its quantity.*"

It is here asserted, that in the event of a stated degree of freedom being acted on, workmen would be forced to abandon their occupations, but that it is material to observe that equivalent new ones would, in consequence, be open to receive them, and that the total aggregate demand for their services would not be in any degree diminished. Here then is exhibited a deficiency of matter which is of a character precisely similar to that which I have noticed as existing in the work of Mr. Poulet Serope. The author has abandoned the great position which he was bound to have maintained, namely, that of increase. From this he has retreated, and has taken his stand merely on an equivalent. Injury is admitted by the first portion of his proposition; and only an equivalent is contended for by the last.

To show how cruelly such a course of action would operate, I will suppose the ease in its application to a number of agricultural laborers. They are informed that it is necessary they should abandon the occupation in which they have been brought up, and instead of laboring in the fields, they must henceforth labor in the factories. Now, in effecting such a change, how much of severe suffering must be endured! The parties are to be forced to quit the scenes of all their earliest, and to them most happy, associations, the places where alone they may have relatives and friends. Their habits of life are to undergo an entire change. The art in which they have been educated and are toiling, the habit of which has become so firmly rooted in their natures, is to be abandoned, and in its place a new and most irksome employment is to be learnt and to be practised. Many other circumstances might be enumerated, showing the misery which could not fail to be attendant upon the course of change here alluded to. Now all this is to be undertaken

and endured, and yet no social advantage whatever is shown as accruing. For as it respects the entire community, a thing in possession is to be relinquished, and one of equal capacity merely is to be had in its place; "equivalent new ones" being the utmost amount that is contended for. If it could be shown that such a course of change as that adverted to was necessary in order to secure the advancement of other persons, and that it embraced likewise the ultimate good of the parties immediately connected with the change, or even of their descendants, that is, that it embodied the great law of general increase, the course could not be objected against, and must be cheerfully submitted to, notwithstanding the sufferings by which it may be accompanied. But it will be seen that no such law as that of increase is attempted to be shown, and I shall have to prove hereafter, that even the equivalent which these writers have so carelessly introduced into their trains of reasoning, cannot be maintained. I shall have to show that the law of expansion or increase consists in an arrangement of matter very different from that which they have put forth.

Thus it is obvious that a course of action has been traced out and promulgated as the theory which is to bring in its train extensive devastation, misery, and ruin, without the pretext of utility being even put forth as an inducement for its adoption. Such a state of things, if brought about, would, assuredly, be the realizing that pernicious and destructive economy which every benevolent man would desire to see averted, which every wise legislator would use his most strenuous efforts to counteract, and which every writer on political economy *professes* to argue against.

I will now adduce an example of the equally weak, inconsiderate, and careless manner in which this great subject has been treated when it has been surveyed in its practical character, that is, after the theory which I have now examined, has been urged on its course, and its effects upon the condition of mankind brought under observation. The matter which I request you to consider, is contained in a speech made by Dr. Bowring in the House of Commons, in July, 1835, on the subject of the distress of the Hand-loom Weavers, and is as follows:

"I will recall to the House some few facts elicited before former Committees, showing that this distress of the weavers has been but of too frequent occurrence, and I think I can show that it is an inevitable condition of a species of labor easily learned, and constantly intruded on and superseded by cheaper means of production. A very short cessation of demand, where the competition for work is so great, and the workmen so multitudinous, produces a crisis. The hand-loom weavers are on the verge of that state, beyond which human existence can hardly be sustained, and a very trifling check hurls them into the regions of starvation. The Committee of 1818 asserted that the silk-ribbon weavers were suffering great privations and distress. Witnesses then stated that a warper could only get 3s. 6d. per week, and a weaver 4s.; that ordinary weavers were only paid 5s. 6d. a week. Now, if the price of food at that period be con-

sidered, their distress must have been extreme; and the same or similar details have been brought out at every investigation. In 1826, the silk-weavers were stated to have gained on an average only 5s. 6d. per week; and the Hand-loom Weavers' Committee have had it given in evidence, that in certain districts not 3s. 6d. per week was paid to the weaver. To deny their right to commiseration would be as thoughtless as cruel. I do not deny it. I only implore a fit attention to the remedies proposed. No one can shut his eyes to the great changes which the improvements of machinery have introduced into the whole field of manufacturing industry—improvements, which, by superseding manual labor more and more, infallibly bring with them in the transition much of temporary suffering. The condition of the man who has to compete with a cheaper, better, or more rapid mode of production, must be deteriorated. The national good cannot be purchased but at the expense of some individual evil. No advance was ever made in manufactures but at some cost to those who were in the rear; and of all discoveries, the power-loom is that which most directly bears on the condition of the hand-loom weaver. He is already beaten out of the field in many articles; he will infallibly be compelled to surrender many more.

I hold, Sir, in my hand, the correspondence which has taken place between the Governor-General of India and the East India Company, on the subject of the Dacca hand-loom weavers. It is a melancholy story of misery as far as they are concerned, and as striking an evidence of the wonderful progress of manufacturing industry in this country. Some years ago the East India Company annually received of the produce of the looms of India to the amount of from 6,000,000 to 8,000,000 of pieces of cotton goods. The demand gradually fell, to something more than 1,000,000, and has now nearly ceased altogether. In 1800, the United States took from India nearly 800,000 pieces of cottons; in 1830 not 4000. In 1800, 1,000,000 pieces were shipped to Portugal; in 1830, only 20,000. Terrible are the accounts of the wretchedness of the poor Indian weavers, reduced to absolute starvation. And what was the sole cause? The presence of the cheaper English manufacture, the production by the power-loom of the article which these unhappy Hindoos had been used for ages to make by their unimproved and hand-directed shuttles. Sir, it was impossible that they could go on weaving what no one would wear or buy. Numbers of them died of hunger; the remainder were, for the most part, transferred to other occupations, principally agricultural. Not to have changed their trade was inevitable starvation. And at this moment, Sir, that Dacca district is supplied with yarn and cotton cloth from the power-looms of England. I will ask the advocates of Mr. Fielder's measure, whether his Bill, or a thousand such Bills, would have kept up wages in Dacca, or have prevented one iota of the calamities which there had but one possible remedy, a change of occupation? The language of the Governor-General is,—

“European skill and machinery have super-

seded the produce of India. The court declare, that they are at last obliged to abandon the only remaining portion of the trade in cotton manufactures, both in Bengal and Madras, because, through the intervention of power-looms, the British goods have a decided advantage in quality and price. Cotton piece-goods, for so many ages the staple manufacture of India, seems thus for ever lost. The Dacca muslins, celebrated over the whole world for their beauty and fineness, are also annihilated, from the same cause. And the present suffering, to numerous classes in India, is scarcely to be paralleled in the history of commerce.”

Now, the facts thus stated are the results of the application of the free principle of trade to a class of the people of India and of England. As they respect the former, they present indeed a lamentable picture of wide-spreading destruction and misery. Upon considering the nature of the matter thus presented, I must entreat you to remark especially, that throughout the description here given there is no allusion made to the operation of the great compensating principle. If the speaker had entertained an entire confidence in the principle of free trade, he would, after having described the lamentable issues of his theory, have endeavored to show that the people thus oppressed and injured by the changes effected in one quarter, had yet found their labor demanded, or their injuries compensated for, by increased prosperity in another quarter; and hence, in the aggregate, the condition of the entire people had been improved. But instead of this, the comprehensive language of the Governor-General is,—“The present suffering to numerous classes in India, is scarcely to be paralleled in the history of commerce.” The words “numerous classes” demand especial consideration, and should lead to the following out the facts to their most extended ramifications.

In giving the above description, the speaker has taken upon himself to assure us that individual injury is the inseparable concomitant of national good. Now it would have been better at the same time that he had put forth so formidable a proposition, that he had shown also the quarter whence he had derived it. I beg to express a thorough conviction, which I will substantiate hereafter, of its being wholly false, and merely struck out for the purpose of momentary convenience: and that if the speaker had been urged upon a course of proof, he would quickly have sought refuge for his recklessness and his weakness behind a form of words which, on occasions of similar difficulty, have been found so useful and so indispensable to his coadjutors; the words I allude to are—“the subject does not admit of a satisfactory solution.”

Having concluded this portion of my argument, I think it right in this place to advert more largely to the writings of Adam Smith, because this author has treated more elaborately and influentially than any other on the great subject which we are called upon to investigate. The work of this author, the ‘Wealth of Nations,’ has acquired for his name so much celebrity, and has been so highly extolled by statesmen and writers on Political Economy, that I feel deep re-

gret at having to impugn the judgement pronounced upon it. But the highest tribute that can be offered to the memory of the author of such a work is to infer that his mind was actuated solely by a love of truth, and that it would be fulfilling his wishes and intentions if I should be able to separate in it that which is false from that which is true, so that the dullness and deformity of the one may be brought into contrast with the purity and lustre of the other.

It has been said of his work that it contains a luminous exposition of the great subject of which it treats, but a few references and arguments will show that such an opinion has been delivered without due consideration. With regard then to the remarkable proposition which has formed the substantive matter of the preceding part of my argument, wherein the superior advantages to a country of its home trade is asserted, and which has excited so much notice, and created so much confusion among commentators and reasoners, and which remains to the present moment wholly undisposed of, I have to observe, that it would appear as though his mind had been enabled to take merely a sudden or transient view of the great arrangement of facts which the proposition expresses; for, subsequently, he falls away altogether from it, and proceeds, on many occasions, to argue in direct opposition to the great conclusion thereby adopted.

The 4th book of this work is devoted to an examination of the different systems of Political Economy, and herein the policy of affixing regulations or restrictions upon productions is treated of in a most elaborate manner. The matter occupies about one-third part of the entire work. The author commences the 2d chapter of this book by bringing under notice the restrictions and prohibitions which the legislature has enacted at different periods for the purpose of protecting such commodities as are or can be produced at home against the introduction and competition of similar commodities from abroad, whereby the monopoly of the home-market has been secured to the domestic capital and industry employed in producing these commodities. He then draws into instance several of the great staple productions of the country, both agricultural and manufacturing, as having this protection—these are corn, live-stock, and salt provisions, woolen manufactures, silk manufactures, and also many other kinds of manufactures, and proceeds to admit that the persons who are interested in these sources of production derive great advantage from the protection or monopoly thus afforded them. The passage is as follows:—

“ By restraining, either by high duties or by absolute prohibition, the importation of such goods from foreign countries as can be produced at home, the monopoly of the home-market is more or less secured to the domestic industry employed in producing them. Thus the prohibition of importing either live cattle or salt provisions from foreign countries secures to the graziers of Great Britain the monopoly of the home-market for butcher’s meat. The high duties upon the importation of corn, which in times of moderate plenty amount to a prohibition, give a like advantage to the growers of that commodity. The prohibition of the im-

tation of foreign woollens is equally favorable to the woolen manufacturers. The silk manufacture, though altogether unoccupied upon foreign materials, has lately obtained the same advantage. The linen manufacture has not yet obtained it, but is making great strides toward it. Many other sorts of manufactures have, in the same manner, obtained in Great Britain, either altogether or very nearly, a monopoly against their countrymen. The variety of goods, of which the importation into Great Britain is prohibited, either absolutely or under certain circumstances, greatly exceeds what can easily be suspected by those who are not well acquainted with the laws of the customs.”

Now upon the *front* of such an argument as is here advanced, it would appear that, as advantage to all is the thing sought after—and as advantage to some, by means of a defined line of action is here admitted, so, by parity of reason, if by means of similar regulations, advantage were carried on or extended to all, the end required would be attained. The author, however, does not thus carry forward his course of reasoning, as the following passage which immediately succeeds, will show:—

“ That this monopoly of the home market frequently gives great encouragement to that particular species of industry which enjoys it, and frequently turns toward that employment a greater share of both the labor and stock of the society than would otherwise have gone to it, cannot be doubted. *But whether it tends either to increase the general industry of the society, or to give it the most advantageous direction, is not, PERHAPS, ALTOGETHER SO EVIDENT.*

“ The general industry of the society never can exceed what the capital of the society can employ. As the number of workmen that can be kept in employment by any particular person must bear a certain proportion to his capital, so the number of those that can be continually employed by all the members of a great society, must bear a certain proportion to the whole capital of that society, and never can exceed that proportion, no regulation of commerce can increase the quantity of industry in any society beyond what its capital can maintain. It can only divert a part of it into a direction into which it might not otherwise have gone; and it is by no means certain, that this artificial direction is likely to be more advantageous to the society than that into which it would have gone of its own accord.”

Now here occurs one of those great and important points of the science, upon treating which it was the duty of the author to have proceeded with the utmost circumspection, to have exerted the whole of his ability, that he might have brought into operation the strength of a GENERAL principle, in order either to establish or to annul the theory advanced. But in the place of this, he has put in one of those weak admissions which are of such frequent occurrence in works on Political Economy, and which, by a few words, fixes the taint of falseness upon an entire course of argument. With respect to the truth of the theory, the utmost that he has been able to advance directly is, that “ it is not, perhaps, altogether so evident.” It will be seen, however, that

the leaning of the passage is toward the truth of the theory of regulation.

Having thus brought together a mass of facts, and adverted to the laws which affect their relationship, and then finding his knowledge of the subject insufficient to reduce them to order, he is tempted to get out of the difficulty in which he is placed, by adopting the following argument, which occurs at the bottom of the same page from which the last quotation is made:—

"Every individual is continually exerting himself to find out the most advantageous employment for whatever capital he can command.—It is his own advantage, indeed, and not that of the society that he has in view—but the study of his own advantage, naturally, or rather necessarily, leads him to prefer that employment which is most advantageous to the society."

Now this argument contains a principle which, if it were true, would indeed solve the difficulty, and dispose of the entire question. But it must be particularly noticed, that it is merely an assumed principle, not a proved one; and in order to see clearly the incongruity of the author's general course of argument, it will only be necessary to apply the principle here advanced to the proposition laid down by himself respecting the superior advantages of home over foreign trade. It will then become apparent, that either the principle must break down the proposition, or, that the proposition must recoil upon and annihilate the principle: they cannot be conjoined and co-exist.

Again, when this important and comprehensive principle is attempted to be brought into connexion with the following arguments advanced by the same author, it will be evident that union cannot subsist between them. The passages occur in the second book of the 5th chapter. Treating of agricultural production, he says, "No equal quantity of productive labor employed in manufactures can ever occasion so great a reproduction. In them nature does nothing, man does all; and the reproduction must always be in proportion to the strength of the agents that occasion it. The capital employed in agriculture, therefore, not only puts into motion a greater quantity of productive labor than any equal capital employed in manufactures, but in proportion, too, to the quantity of productive labor which it employs, it adds a much greater value to the annual produce of the land and labor of the country, to the real wealth and revenue of its inhabitants. Of all the ways in which a capital can be employed, it is by far the most advantageous to the society."

And again, in the same chapter, and a few pages further on, when treating of the comparative benefits resulting from the three kinds of commerce, the agricultural, the manufacturing, and the foreign, there is as follows:—

"When the capital of any country is not sufficient for all these three purposes, in proportion as a greater share of it is employed in agriculture, the greater will be the quantity of productive labor which it puts into motion within the country, as will likewise be the value which its employment adds to the annual produce of the land and labor of the society. After agriculture, the capital employed in manufactures puts

into motion the greatest quantity of productive labor, and adds the greatest value to the annual produce. That which is employed in the trade of exportation has the least effect of any of the three."

Again:—"The returns of the foreign trade of consumption are seldom so quick as those of the home trade. The returns of the home trade generally come in before the end of the year, and sometimes three or four times in the year. The returns of the foreign trade of consumption seldom come in before the end of the year, and sometimes not till after two or three years. A capital, therefore, employed in the home trade, will sometimes make twelve operations, or be sent out and returned, twelve times, before a capital employed in the foreign trade of consumption has made one. If the capitals are equal, therefore, the one will give four-and-twenty times more encouragement and support to the industry of the country than the other."

I could adduce much more evidence of a similar tendency, but sufficient has been cited to show that the author himself has destroyed in one place the principle which he has set up in another.

It is desirable to direct, in the most particular manner, that attention be paid to the passage upon which I have just commented. Its matter is of a character of the very highest importance; for it contains the germ or first principle of a great universal system. It would be well to have it set aside as a distinct substantive proposition, upon the examination of which the most profound meditation and the strongest powers of the mind should be brought to bear. Moreover, it should be subjected to the moral test as well as the physical. I will quote it here:—

"Every individual is continually exerting himself to find out the most advantageous employment for whatever capital he can command.—It is his own advantage, indeed, and not that of the society that he has in view. But the study of his own advantage, naturally, or rather necessarily, leads him to prefer that employment which is most advantageous to the society."

With regard to the matter contained in the passage now under notice, Locke has argued very differently in his treatise, entitled "Considerations of lowering the Interest and raising the Value of Money." He therein asserts, that "the merchant may get rich by a trade that makes the kingdom poor." And, in another part of the same work, as bearing on the subject generally, there is as follows:—"If the *virtue* and provident way of living of our ancestors (content with our native conveniences of life, without the costly itch after the materials of pride and luxury from abroad) were brought in fashion and countenance again among us, this alone would do more to keep and increase our wealth, and enrich our land, than all our paper helps about interest, money, bullion, &c, which, however eagerly we catch at, will not, I fear, without better husbandry, keep us from sinking, whatever contrivances we may have recourse to. 'Tis with a kingdom, as with a family. Spending less than our own commodities will pay for, is the sure and only way for the nation to grow rich. And

when that begins once seriously to be considered, and our furies and steps are in earnest turned that way, we may hope to have our rents rise, and the public stock thrive again. Till then we in vain, I fear, endeavor with noise and weapons of law to drive the wolf from our own to another's doors: the breed ought to be extirpated out of the island. For want, brought in by ill-management, and nursed up by expensive vanity, will make the nation poor, and spare noboby."

Upon extending my examination into that part of the "Wealth of Nations," wherein its author has entered upon a consideration of the important branch of the science—the wages of labor—and where he has attempted to discuss the efficiency of the free as compared with the regulating principle, I find that his course of argument presents a similar infirmity, both of premises and conclusions, as that which inheres in his treatment of the question of the effects of regulations on capital. In the 1st book, and the 10th chapter, he dilates on the law of apprenticeship, and on the institution of corporations, and there occur the following passages:—

"Long apprenticeships are altogether unnecessary. The arts, which are much superior to common trades, such as those of making clocks and watches, contain no such mystery as to require a long course of instruction. The first invention of such beautiful machines, indeed, and even that of some of the instruments employed in making them, must, no doubt, have been the work of deep thought, and long time, and may justly be considered as among the happiest efforts of human ingenuity. But when both have been fairly invented, and are well understood, to explain to any young man, in the completest manner, how to apply the instruments and how to construct the machines, cannot well require more than the lessons of a few weeks—perhaps those of a few days might be sufficient. In the common mechanic trades, those of a few days might certainly be sufficient. Dexterity of hand, indeed, even in common trades, cannot be acquired without much practice and experience. But a young man would practice with more diligence and attention, if, from the beginning, he wrought as a journeyman; being paid in proportion to the little work which he could execute, and paying, in his turn, for the materials which he might sometimes spoil through awkwardness or inexperience. His education would generally, in this way, be more effectual, and always less tedious and expensive. *The master, indeed, would be a loser.* He would lose all the wages of the apprentice, which he now saves for seven years together.—*In the end, PERHAPS, the apprentice himself would be a loser.* *In a trade so easily learned he would have more competitors, and his wages, when he came to be a complete workman, would be much less than at present.* The same increase of competition would reduce the profits of the masters, as well as the wages of the workmen. The trades, the crafts, the mysteries, would all be losers. But the public would be a gainer, the work of all artificers coming, in this way, much cheaper to market."

"It is to prevent this reduction of price, and,

consequently of wages and profits, by restraining the free competition which would most certainly occasion it, that all corporations, and the greater part of corporation laws, have been established."

"The government of towns corporate were altogether in the hands of traders and artificers; and it was the manifest interest of every particular class of them to prevent the market from being overstocked, as they commonly express it, with their own particular species of industry; which is, in reality, to keep it always understocked. Each class was eager to establish regulations proper for this purpose, and, provided it was allowed to do so, was willing to consent that every other class should do the same. In consequence of such regulations, indeed, each class was obliged to buy the goods they had occasion for from every other within the town, somewhat dearer than they otherwise might have done. But, in recompence, they were enabled to sell their own just as much dearer; so that, so far, it was as broad as long, as they say; and in the dealings of the different classes within the town, with one another, none of them were losers by these regulations. But, in their dealings with the country, they were all great gainers; and in these latter dealings consists the whole trade which supports and enriches every town."—I do not conceive it to be necessary that I should pause for the purpose of analysing the matter thus extracted. The errors it contains are so great, and so conspicuous that the most careless observer cannot fail to perceive them.

I will now adduce another passage having reference to the Colonial policy of the country; and, if the matter expressed therein could be substantiated, this policy would be placed in a most beneficial and important point of view. The passage occurs in the 7th chapter of the 4th book, and is as follows:—

"Secondly, this monopoly has necessarily contributed to keep up the *rate of profit* in ALL the different branches of British trade, higher than it naturally would have been had all nations been allowed a free trade to the British colonies. The monopoly of the colony trade, as it necessarily drew towards that trade a greater proportion of the capital of Great Britain than what would have gone to it of its own accord; so, by the expulsion of all foreign capitals, it necessarily reduced the whole quantity of capital employed in that trade below what it would naturally have been in the case of a free trade. But, by lessening the competition of capital in that branch of trade, it necessarily raised the rate of profit in that branch. *By lessening, too, the competition of British capitals in ALL other branches of trade, it necessarily raised the rate of British profit in ALL those other branches.* Whatever may have been, at any particular period since the establishment of the Act of Navigation, the state or extent of the increasable capital of Great Britain, the monopoly of the colony trade must, during the continuance of that state, have raised the ordinary rate of British profit higher than it otherwise would have been, both in that and ALL the other branches of British trade. If, since the estab-

lement of the Act of Navigation, the ordinary rate of British profit has fallen considerably, as it certainly has, it must have fallen still lower, had not the monopoly established by that Act contributed to keep it up."

Now the passage just quoted, is, probably, the most comprehensive proposition of facts, which the work from which it is extracted contains. It should be noticed particularly, that herein it is declared, that the advantage accruing from the line of policy pursued, was not confined merely to the productions or capital immediately conjoined with the colonial trade, but was extended to ALL other branches of British trade, that is, the entire capital of the country. If this be true, it would be impossible to invent more perfect mechanism. It is remarkable, however, that the author treated this in a similar manner as he did his other great proposition respecting home trade; for, having given birth to his great mental offspring, he instantly commenced the operation of destroying it.

There are many other passages in this work, all combining to prove the great deficiency of knowledge under which the author of them must have labored; but it would be both useless and tedious to collect them. In confirmation, however, of the incomplete and erroneous character of a very considerable portion of the "Wealth of Nations," it will be desirable to make reference to a critical survey of the work which is contained in the introduction of Mr. McCulloch's "Principles of Political Economy." At page 56, there is as follows:—

"At length, in 1776, our illustrious countryman, Adam Smith, published the 'Wealth of Nations,' a work which has done for political economy what the Essay of Locke did for the philosophy of mind. In this work the science was, for the first time, treated in its fullest extent; and the FUNDAMENTAL principles on which the production of wealth depends, established beyond the reach of cavil and dispute."

Again, at page 58:—"In adopting the discoveries of others, he has made them his own; he has demonstrated the truth of principles on which his predecessors had, in most cases, stumbled by chance; has separated them from the errors by which they were encumbered, traced their remote consequences, and pointed out their limitations; has shown their practical importance and real value, their mutual dependence and relation; and has reduced them into a consistent, harmonious, and beautiful system."

And again, in the body of his work, when treating of restrictions on commerce, and the prohibitive system, there occurs at page 158, the following passage:—"But its complete overthrow was reserved for Dr. Smith, who has examined and refuted the various arguments in favor of commercial restrictions, in the most able and masterly manner, and with an amplitude of illustration that leaves nothing to be desired."

After perusing the passages here cited, whereby, on account of the great and unqualified commendation they bestow, the mind is induced to entertain a notion of completeness or perfection respecting the work of which they were written, it excites no little surprise to find the following

matter by the same author, occurring too in the same page as that wherefrom the second quotation is taken:—

"But however excellent in many respects, still it cannot be denied that there are errors, and those too of no slight importance, in the 'Wealth of Nations.' Dr. Smith does not say, that in prosecuting such branches of industry as are most advantageous to themselves, individuals necessarily prosecute such as are at the same time, most advantageous to the public. His leaning to the system of M. Quesnay, a leaning perceptible in every part of his work, made him so far swerve from the sounder principles of his own system, as to admit that the preference shown by individuals in favor of particular employments is not always a true test of their public advantages. He considered agriculture, though not the only productive employment, as the most productive of any; the home trade as more productive than the direct foreign trade; and the latter than the carrying trade. It is clear, however, that these distinctions are all fundamentally erroneous."

And again, at the bottom of the same page:—"Perhaps, however, the principal defect in the 'Wealth of Nations,' consists in the erroneous doctrines hid down with respect to the invariable value of corn, and the effect of fluctuations in wages and profits on prices. These have prevented Dr. Smith from acquiring clear and accurate notions respecting the nature and causes of rent, and the laws which govern the rate of profit; and have, in consequence, vitiated the theoretical conclusions in those parts of his work which treat of the distribution of wealth and the principles of taxation."

It is greatly to be lamented that in treating of a science wherein it is professed to expound both social and physical law, and where, consequently, accuracy of description is of vital importance,—this author should have practiced the latitude here exhibited.

It will be seen that his list of exceptions is most formidable both in number and character.

In one passage he has declared that the FUNDAMENTAL principles on which the production of wealth depends, have been established beyond the reach of cavil and dispute; while, within the space of two succeeding pages, he has declared reversely, that the doctrine inculcated respecting the value to a country of its agricultural production, of its home trade, of its foreign trade, and of its carrying trade, is FUNDAMENTALLY ERRONEOUS. And then, in addition to the sources of error thus enumerated, he brings into instance other erroneous doctrines in the work, alleging that these constitute its PRINCIPAL defect.

If one item alone were selected from the list of exceptions, yet this would be sufficient to place all the great conclusions of the work in abeyance. It is this:—the laws which govern the rate of profit. Now as the object required is capital or wealth; as profit is a term signifying the increase of capital or wealth; so, failing to find the laws which govern the rate of profit, is failing to find the laws of the formation of capital; or, in other words, failing to develop the subject-matter of the science.

ARGUMENT FIRST.

PART II.

The question, selected from your Book of Instructions, upon the examination of which I will now enter, is this:

"Whether the evils increase by the increase of their number without a proportional increase in the demand for their labor?"

As the matter comprehended by this question has been more particularly treated of by Malthus, and as his writings have acquired considerable influence over a great portion of the public mind, it is incumbent upon me to direct my attention to an analysis of the works of this author.

On referring to his work entitled "Principles of Political Economy,"* I find that he commences his investigation of the science, by adopting a non-scientific principle, which is, that the subject of which he is about to treat, does not admit of accurate definition, and in other parts of his writings, there are re-assertions of this opinion. Such a principle being admitted, it was not to be expected that in the subsequent investigations and arguments of its author, matter of much value was to be found. At page 3 he presents an enumeration of the various parts of the subject, which, notwithstanding all that has been written on them, he considers to be still involved in obscurity. The passage is as follows:—

"Since that era, the subject has attracted the attention of a great number of persons, particularly during the last twenty or thirty years.—All the main propositions of the science have been examined, and the events which have since occurred, tending either to illustrate or confute them, have been repeatedly discussed. The result of this examination and discussion seems to be, that on some very important points there are still great differences of opinion. Among these, perhaps, may be reckoned—the definitions of wealth and of productive labor—the nature and measures of value—the nature and extent of the principles of demand and supply—the origin and progress of rent—the causes which determine the wages of labor and the profits of stock—the causes which practically retard and limit the progress of wealth—the level of the precious metals in different countries—the principles of taxation, &c. On all these points and many others among the numerous subjects which belong to political economy, differences have prevailed among persons whose opinions are entitled to attention. Some of these questions are to a certain degree theoretical; and the solution of them, though obviously necessary to the improvement of science, might not essentially affect its practical rules; but others are of such a nature, that the determination of them one way or the other, will necessarily influence the conduct both of individuals and of governments; and their correct determination therefore must be a matter of the highest practical importance."

In the passage just quoted, the author has enumerated several main propositions, as being, at

the period when he wrote, imperfectly investigated. From these I will select four, in order that they may stand in a prominent point of view, when their all-important nature cannot fail to be discerned and allowed. These are—the nature and measure of value—the nature and extent of the principles of demand and supply—the causes which determine the wages of labor—the causes which determine the profits of stock. Now, if it be true that these parts of the science, together with the others enumerated also, be unknown, I shall be justified in asserting that no material part of it whatever is known; for if these several divisions be added together, almost the entire subject-matter of the science will be comprised in the aggregate thus formed.

On continuing my investigation of this work, I find that the author has merely noticed, in a cursory manner, the opinions of Ricardo with regard to the nature of foreign trade, and has, in no part, attempted to grapple with the main argument, or made allusion to the important problem which I have brought under notice in the first part of this case, and which ought to have attracted his especial consideration. Thus despairing at the outset of his inquiry of discovering the laws of the formation of capital, and having been baffled in his subsequent efforts, he has, in the next place, directed his attention to an investigation of the laws of the increase of population. Seeing that he could not find out the way to accelerate the growth of the former, he has then endeavored to find out the way to retard the growth of the latter, in order to define the method of bringing about that which all admit to be desirable, namely, a more just proportion between the great mass of population, and the great mass of means requisite to sustain it, that is, capital.

Thus it becomes necessary to analyse the matter from which this author has derived the important principle which has been denominated his "Population Principle," and in order to arrive at a just conclusion respecting it, I must make reference to some portions of his larger work, entitled "An Essay on the Principle of Population." Before commencing this analysis, it will be desirable to consider attentively the nature of the subject-matter about to be reasoned upon. Now the matter herein undertaken to be treated of, consists of two distinct subjects, the one being Population, the other being the means of sustaining population, which is expressed by the general term, Capital. The question propounded for solution is, a discovery of the principles which facilitate the increase of both, in order to define which of the two is constituted by the law of nature to increase in the most rapid degree. The subject then will be one of comparative proportionate progression as issuing out of the principle of the increase of population on the one side, and the principle of the formation of capital on the other.

Now in order to solve the proposition thus submitted for consideration, it will be evident that he who undertakes to do so, must be able to define the rate of increase of both the subjects which the proposition includes. Thus to determine the power of increasing population, at a quicker or slower rate as compared with the pow-

* On quoting from this work, I beg to observe that I make use of the latest edition published since the death of the author, and which the editor represents to have undergone a recent revision by the author himself.

er of forming capital, the principle of the formation of capital must be proved; and to determine the power of forming capital at a quicker or slower ratio as compared with the power of increasing population, the principle of the increase of population must be proved; for to draw an inference from a comparison of any two things without the nature of both having been ascertained, would be a self-evident absurdity. I now proceed to show that the population principle of Malthus stands in the predicament just mentioned.

With regard, then, to the predicate which this author has laid down respecting the first portion of the proposition, which is Population, in order to discover a principle, he has entered upon an extensive range of inquiry. He has collected together, with much industry, a series of statistical facts, by which he has proved that the *possible* rate of increase of the human species is equal to that of doubling its number in a space of twenty-five years. Consequently, he infers that there is infused into the nature of man a generative force inadequate to such a degree of production.—This he assumes as his hypothesis, calling it a geometrical ratio of increase, in contradistinction to another, which I shall soon have to examine, and which he denominates an arithmetical ratio.

Now, in order so show how far the issues of this principle are from being coincident with the practical natural result, a paper was read before the Statistical Society of London, at an ordinary meeting, on the 18th of January, 1836. The paper was contributed by Mr. Hallam, and was founded upon a communication made to him by Sir Francis Palgrave, who, in his researches among ancient documents in the Record Office, had found a statistical account of the population of England at a very early date. To show the working of the geometrical principle of Malthus, the population at the period of the compilation of Domesday Book, about the year 1086, was taken at the number 1,000,000.

Cycles of Years.	Number of Cycles.	Increase according to a Geometrical Ratio, the multiplier being 2, and the hypothesis 1,000,000.
1086 to 1111	1	2,000,000
1111	2	4,000,000
1136	3	8,000,000
1161	4	16,000,000
1186	5	32,000,000
1211	6	64,000,000
1236	7	128,000,000
1261	8	256,000,000
1286	9	512,000,000
1311	10	1,024,000,000
1336	11	2,048,000,000
1361	12	4,096,000,000
1386	13	8,192,000,000
1411	14	16,384,000,000
1436	15	32,768,000,000
1461	16	65,536,000,000
1486	17	131,072,000,000
1511	18	262,144,000,000
1536	19	524,288,000,000
1561	20	1,048,576,000,000
1586	21	2,097,152,000,000
1611	22	4,194,304,000,000
1636	23	8,388,608,000,000
1661	24	16,777,216,000,000
1686	25	33,554,432,000,000
1711	26	67,108,864,000,000
1736	27	134,217,728,000,000
1761	28	268,435,456,000,000
1786	29	536,870,912,000,000
1811	30	1,073,741,824,000,000

The intervening period of 750 years gave thirty cycles of twenty-five years each. The number 1,000,000 was taken as the hypothesis, and the ratio 2 used as the multiplier, and worked to the 30th degree of power. The result was, that the population of England, in the year 1836, should have been as the number 1,068,852,224,000,000,* or 5953 to each square yard of the surface of the country.

Thus the result arrived at shows the false and even the absurd conclusion to which we are led by working out the inductions from the premises given; notwithstanding which, the premises are true. It follows, therefore, that there are certain assignable circumstances under which the principle will act up to the degree proved, and that there are certain other assignable circumstances under which it will not. It became then the duty of the author to have directed the entire energies of his mind to the tracing out the operation of these circumstances, and to have refrained from drawing conclusions until he had gained a perfect knowledge of the laws by which such vast and important influence is acquired.

I now beg to direct attention to the matter which this author has made use of in order to establish his predicate of the second portion of his proposition, which is, the slower formation of capital, as ordained by natural laws. I have already shown the very imperfect manner in which he has treated this great and all-material portion of his subject, in his work entitled "Principles of Political Economy," and the quotations I shall make from this work, now under examination, will be confirmatory of the arguments which I have previously advanced against the validity of his conclusions.

In the 1st chapter, and at page 3, in this work, there is this remarkable passage:—

"This is incontrovertibly true. Through the animal and vegetable kingdoms, Nature has scattered the seeds of life abroad, with the most profuse and liberal hand; but has been comparatively sparing in the room and the nourishment necessary to rear them."

In the proposition thus laid down, and which the understandings of men are called upon to receive and to hold up as an axiom, the author asserts the existence of a great and most formidable law of nature, bearing with irresistible force against the physical well-being of mankind. In one short sentence he calls in question and condemns the arrangement and providence of God. A slight examination, however, of the sentence itself, will lead to a perception of its entire falsehood. He asserts that throughout the animal and vegetable kingdoms, a principle of vast prolificacy prevails. Thus, at the same time that he argues upon the prolific nature of man, he argues also upon the prolific nature of the matter which has been created for the sustenance of man, namely, the animal and vegetable kingdoms. If, therefore, the principle of the increase of the latter be of equal power with the principle of the increase of the former, the argument of deficiency will fail, and then the only portion of

* These figures are copied from the published report of the Proceedings of the Statistical Society; but there appears to be a considerable error in the calculation. The annexed table shows the product to be much greater.

the proposition which remains will be that of 'room'; and every person must see that it would be mere trifling to enter upon an argument respecting this. With regard to the assertion of deficiency, I propose to show, by means of his own work, that the conclusion is wholly unwarranted.

The matter contained in the eleven pages succeeding my last quotation is put together in order to support the conclusion, but is of a character the most vague and inconclusive. We may collect from other parts of the works of this writer, that, as he proceeded on his investigations, and was thus necessarily obliged to enter upon the construction and examination of compound and complicated propositions, the duty of proving became to him a matter of insupportable difficulty, and hence, undoubtedly, arose the hurried and unreasoning manner in which he has emerged from the obstacles which here surrounded him, in order that he might fabricate and adopt the two principles which he had intended should form the guides of his subsequent calculations. At page 14 he draws his conclusion by the following passage :-

"It may fairly be pronounced, therefore, that, 'considering the present average state of the earth, the means of subsistence, under circumstances the most favorable to human industry, 'could not possibly be made to increase faster 'than in an arithmetical ratio."

It now becomes necessary to examine the nature of the arithmetical ratio here assigned as a law of the formation of capital, in order to find out whether or not it coincides with a well-known and universally recognised state of facts. At page 18, the two rates of increase are thus exhibited.

"The human species would increase as the numbers 1—2—4—8—16—32—64—128—256, and 'subsistence as 1—2—3—4—5—6—7—8—9."

To put the latter of these rates of progression to the test, I will commence the first issue at the period of time taken by Mr. Hallam, previously alluded to, namely, the year 1086.

The preceding table will show the rate of increase assignable to the formation of capital, under the arithmetical progression during each succeeding cycle of twenty-five years, and also annually up to the year 1836, regard not being had to the fractions of pence.

Thus the result of this rate of calculation, shows, that on commencing the hypothetical argument at the year 1086, the power of forming capital in the year 1836, would have been reduced to the diminutive proportion of 1-750th of every 100 parts, or 2s. 8d. per cent. per annum; and whether we apply the principle to the space of time above-mentioned, or to any other, it will be found equally remote from truth. Now with regard to the increase derivable from the employment of capital, it is a recorded and also a well-known fact, that the proportion of 1-25th, or 4 per cent. per annum, has been for a long series of years, and still is (taking a general average) easily obtainable, merely for the privilege of using it, leaving out of consideration the still larger increase obtained by those who work it most profitably.

Thus we are necessitated by the facts now collected, to reverse the geometrical and the arithmetical ratios, and to assert that the former is more nearly applicable to the laws of the formation of capital, and the latter to the laws of the increase of population; for, with regard to the principle of the increase of population, if the number 1,000,000 be taken as the hypothesis, and the issues from it made to commence in the year 1086, and the arithmetical ratio of progression applied to them, the result will be a population of 30,000,000 in the year 1836. Now this we know to be more than double what the number really is, allusion being made to England only. But in the front of such a course of argument, a most formidable objection is forced upon the attention, namely, if such be the truth, whence could possibly arise destitution and poverty, which are, confessedly, a state of facts wherein the aggregate of population exceeds the aggregate of capital, or the means of supporting it? This question presents matter for a most grave and careful investigation, and though involved at present in almost total obscurity, is nevertheless capable of an entire and clear explication; but, as my object here is that of demonstrating error, I am constrained to reserve the elucidation of this part of the subject for the matter of my second argument. I content myself at present, therefore, with quoting the observations of Mr. Hallam given in his communication to the Statistical Society before alluded to.

"When he compared the enormous expansion of the logarithmic curve with the petty 14,000,000 of which we have to boast as our real numbers, he was led to think that there is still a great deal on the subject of population unexplored, and that the counteracting causes which have in ages past so retarded the development of this prodigious force, as, numerically speaking, to have reduced its actual efficacy almost to nothing, are deserving of the most serious and diligent investigation."

I now submit that I have proved how entirely this author has failed to substantiate either predicate of his two great propositions; and I cannot

Cycles of years	No. of Cycles	Increase per cent. during each Cycle.	Av. Increase per cent. per ann. dur. each Cycle.		
			£.	s.	d.
1096 to 1111	1	100	0	0	0
1111	2	50	0	0	0
1136	3	33	6	8	0
1161	4	25	0	0	0
1186	5	20	0	0	0
1211	6	16	13	4	0
1236	7	14	5	8	0
1261	8	12	10	0	0
1286	9	11	2	3	0
1311	10	10	0	0	0
1336	11	9	1	11	0
1361	12	8	6	8	0
1386	13	7	13	10	0
1411	14	7	2	10	0
1436	15	6	13	4	0
1461	16	6	5	0	0
1486	17	5	17	8	0
1511	18	5	11	1	0
1536	19	5	6	3	0
1561	20	5	0	0	0
1586	21	4	15	3	0
1611	22	4	10	10	0
1636	23	4	6	11	0
1661	24	4	3	4	0
1686	25	4	0	0	0
1711	26	3	17	0	0
1736	27	3	14	0	0
1761	28	3	11	5	0
1786	29	3	9	0	0
1811	30	3	6	8	0
1836	30	3	6	8	0

avoid expressing the utmost astonishment that the geometrical and arithmetical ratios of increase which were promulgated by him as theories, should have been received with any portion of credence, either by statesmen or statisticians.

There is one more suggestion which I feel called upon to offer respecting this particular view of the subject, which is, that no writer is warranted in treating *at all* on the laws of the increase of population, who cannot, in the first instance, make himself master of the laws of the formation of capital.

Before I conclude this comment upon the extraordinary error of calculation which Malthus has thus admitted, I wish to draw attention, in a more particular manner, to the source of this error. Of his large work on the "Principle of Population," about 700 pages, or nearly half, are occupied by statistical compilations, showing the possible rate of increase of the human species, the facts having been collected from various countries. The conclusion, as I have before stated, is indisputable, and indeed is so simple and obvious, that it might have been conceded at once, and thus have rendered unnecessary a vast parade of statistical matter. The premises being thus granted, the fact is established, that there is in the nature of man a generative power adequate to the doubling his species in a space of twenty-five years. The author has then proceeded to argue upon the fact of the *exercise* of this generative force to a degree beyond the means provided by the Creator for its support. In thus arguing upon the *possible* facts respecting the first principle instanced, he has neglected to ascertain the truth of the *actual* facts; while with regard to the second principle, he has failed to ascertain the truth both of the possible and the actual. His mind appears to have been so fully possessed by his expansive principle of population, that he paid no regard to a very high and important element of his subject, which is, that the nature of man differs essentially from the nature of brutes. Had he brought into his consideration the spiritual or moral attribute of man, and reasoned upon its influence, he would have been led into another train of argument. But viewing the two great facts, the one at the commencement, the other at the extremity of his observation, the first being the prolific character of the principle of population, and the last the destitute condition of a great part of mankind, he has disregarded all intervening influences and facts, and adopted the false conclusion that destitution is to be attributed to the exercise of the prolific principle of population.

Upon continuing my investigation of the work now under consideration, I find that the author, having adopted into his course of reasoning the two principles of progression which I have just examined, and being necessitated, on many occasions, to work out his premises by their strict inductions, has, by so doing, brought his train of argument into collision with another train, which a self-evident state of facts enforces the recognition of. Thus his course of argument presents an alternating assignment of cause, for the bringing about an uniform and an accredited effect. Now the effect or defect to be accounted for is, the absence of sufficiency, or the physical desti-

tution of a great portion of mankind. The question then is, whence arises this? Now as to the means: these consist of an immense and an incalculable variety of matter furnished by the power of a divine and beneficent Creator. This on the one side: on the other, man cannot create; but by his labor and his intelligence he can modify and appropriate the matter given. The material fund, therefore, though passive or submissive, is yet endued with the capability of being converted, by the active instrumentalities of human power, into a vast variety of sustentational, useful, and agreeable modifications. Thus there are in operation two distinct agencies, the one creative — the other appropriative.

Now the view taken by Malthus of this interesting and important subject has, most unhappily, led him to the inference of defective creation; hence his principle of the greatly-restrained power of forming capital as ordained by *natural* law, which asserted limitation he has attempted the explication of, by means of the arithmetical ratio of increase; and as corollaries on this principle, he is necessitated to assign as causes of the evil, that which he denominates "*the inevitable laws of nature;*" and then follow his frequent attempts to rescue from censure *human institutions and human government.*

Having shown how entirely destitute of solidity the line of argument is, whereby he has attempted to prove deficient provision, I will now advert to the many and remarkable admissions which his work contains, on the side of wrong or defective appropriation. These abound in almost every part of the 3rd and 4th books. In the 3rd book and the 6th chapter, page 347, there occurs a remarkable passage, which treats of the ill effect produced on capital by the employment of the destitute poor on manufactures; and also another, the tendency of which is to establish the general ill effect of *competition*: they are as follows:

"The attempts to employ the poor on any great scale in manufactures, have almost invariably failed, and the stock and materials have been wasted. In those few parishes which, by better management or larger funds, have been enabled to persevere in this system, the effect of these new manufactures in the market must have been to throw out of employment many independent workmen, who were before engaged in fabrications of a similar nature. This effect has been placed in a strong point of view, by Daniel de Foe, in an address to Parliament, entitled, '*Giving Alms no Charity.*' Speaking of the employment of parish children in manufactures, he says, '*For every skein of worsted these poor children spin, there must be a skein the less spun by some poor family that spun it before; and for every piece of baize so made in London, there must be a piece the less made at Colchester, or somewhere else.*' Sir F. M. Eden, on the same subject, observes that 'whether naps and broomis are made by parish children or by private workmen, no more can be sold than the public is in want of.'"

"It will be said, perhaps, that the same reasoning might be applied to any new capital brought into competition in a particular trade or manufacture, which can rarely be done without injuring, in some degree, those that were engaged

'in it before. But there is a material difference in the two cases. In this the competition is perfectly fair, and what every man on entering into business must lay his account to.'

It will be evident that the matter of the above quotations is in the highest degree important, as bearing directly upon the great principle involved in the whole inquiry. Attention should be particularly directed to the false mode here resorted to for turning aside the effects of an evil admitted. The writer says, that in one case, the proceeding is "perfectly fair," and that the result might have been expected. But the question which he had to deal with and to decide was the exact nature of the facts: simply, whether by the course of competition adduced, the arrangement of facts would be injurious or beneficial to the general capital. If injurious, that laws should be framed for the purpose of restraining the cause as much as possible; if beneficial, that no restraint of law should be permitted.

Again, in the 7th chapter of the same book, he asserts, that the subject is surrounded on all sides by the most formidable difficulties; and he re-admits the ill effects of *competition*. Thus at page 355 :

"The whole subject is surrounded on all sides by the most formidable difficulties; and in no state of things is it so necessary to recollect the saying of Daniel de Foe, quoted in the last chapter. The manufacturers all over the country, and the Spitalfields' weavers in particular, are in a state of the deepest distress, occasioned immediately and directly by the want of demand for the produce of their industry, and the consequent necessity felt by the masters of turning off many of their workmen, in order to proportion the supply to the contracted demand. It is proposed, however, by some well-meaning people, to raise by subscription a fund for the express purpose of setting to work again those who have been turned off by their masters, the effect of which can only be to continue glutting a market, already much too fully supplied. This is most naturally and justly objected to by the masters, as it prevents them from withdrawing the supply, and taking the only course which can prevent the total destruction of their capitals, and the necessity of turning off all their men instead of a part."

Again, in the same chapter, page 360,—

"On the subject of the distresses of the poor, and particularly the increase of pauperism of late years, the most erroneous opinions have been circulated. During the progress of the war, the increase in the proportion of persons requiring parish assistance, was attributed chiefly to the high price of the necessaries of life. We have seen these necessities of life experience a great and sudden fall, and yet at the same time, a still larger proportion of the population requiring parish assistance."

Again, at page 365 :—

"The principal causes of the increase of pauperism, independently of the present crisis, are, first, the general increase of the manufacturing system, and the unavoidable variations of manufacturing labor."

Again, in the 8th chapter, page 392 :—

"In a country where the wages of labor esti-

mated in food are low, and that food is relatively of a very low value, both with regard to domestic and foreign manufactures, the condition of the laboring classes of society must be the worst possible."

And, in the next page, speaking of Poland :—
" Yet here corn is in abundance, and great quantities of it are yearly exported. But it appears clearly, that it is not either the power of the country to produce food, or even what it actually produces, that limits and regulates the progress of population, but the quantity which in the actual state of things is awarded to the laborer, and the rate at which the funds so appropriated increase."

"In the present case the demand for labor is very small, and though the population is inconsiderable, it is greater than the scanty capital of the country can fully employ; the condition of the laborer, therefore, is depressed by his being able to command only such a quantity of food as will maintain a stationary or very slowly increasing population. It is further depressed by the low relative value of the food which he earns, which gives to any surplus he may possess, a very small power in the purchase of manufactured commodities or foreign produce."

"Under these circumstances, we cannot be surprised that all accounts of Poland should represent the condition of the lower classes of society as extremely miserable; and the other parts of Europe, which resemble Poland in the state of their land and capital, resemble it in the condition of their people."

"In justice, however, to the agricultural system, it should be observed that the premature check to the capital, and the demand for labor which occurs in some of the countries of Europe, while land continues in considerable plenty, is not occasioned by the particular direction of their industry, but by the vices of the government and the structure of the society, which prevent its full and fair development in that direction."

In the quotations just made it is clearly and fully admitted that the entire virtue of the subject is concentrated in the question of the appropriation of matter by the labor of man. No allusion whatever is here made to the original and appalling conclusion of the author, namely, that by the law of nature, the principle of the expansion of subsistence is not sufficiently large for the principle of the expansion of population. The evil is here attributed to the misappropriation of matter, or, the wrong direction of labor.

Again, also, at the commencement of the 9th chapter of the same book, he sets down as causes of the evil deplored, the difficulty of confining improvements in machinery—the frequent changes that occur in the channels of trade—the injury sustained by capital by means of foreign competition, added to which, that domestic competition produces similar effects. I will now quote these passages :—

"A country which excels in commerce and manufactures, may purchase corn from a variety of others; and it may be supposed, perhaps, that, proceeding upon this system, it may continue to purchase an increasing quantity, and to maintain a rapidly increasing population, till the

lands of all the nations with which it trades are fully cultivated. As this is an event necessarily at a great distance, it may appear that the population of such a country will not be checked from the difficulty of procuring subsistence till after the lapse of a great number of ages.

" There are, however, causes constantly in operation, which will occasion the pressure of this difficulty, long before the event here contemplated has taken place, and while the means of raising food in the surrounding countries may still be comparatively abundant.

" In the first place, advantages which depend exclusively upon capital and skill, and the present possession of particular channels of commerce, cannot in their nature be permanent. We know how difficult it is to confine improvements in machinery to a single spot; we know that it is the constant object, both of individuals and countries, to increase their capital; and we know, from the past history of commercial states, that the channels of trade are not unfrequently taking a different direction. It is unreasonable therefore to expect that any one country, merely by the force of skill and capital, should remain in possession of markets, uninterrupted by foreign competition. But, when a powerful foreign competition takes place, the exportable commodities of the country in question must soon fall to prices, which will essentially reduce profits; and the fall of profits will diminish both the power and the will to save. Under these circumstances the accumulation of capital will be slow, and the demand for labor proportionably slow, till it comes nearly to a stand; while, perhaps, the new competitors, either by raising their own raw materials or by some other advantages, may still be increasing their capitals and population with some degree of rapidity.

" But, secondly, even if it were possible for a considerable time to exclude any formidable foreign competition, it is found that domestic competition produces almost unavoidably the same effect. If a machine be invented in a particular country, by the aid of which one man can do the work of ten, the possessors of it will of course at first make very unusual profits; but, as soon as the invention is generally known, so much capital and industry will be brought into this new and profitable employment, as to make its products greatly exceed both the foreign and domestic demand at the old prices. These prices, therefore, will continue to fall, till the stock and labor employed in this direction ceases to yield unusual profits. In this case it is evident that, though in an early period of such a manufacture, the product of the industry of one man for a day might have been exchanged for such a portion of food as would support forty or fifty persons; yet, at a subsequent period, the product of the same industry might not purchase the support of 'ten.'

Again, in the same chapter, page 416, when treating of the cause of the decline of the trade of Holland, he asserts it to have been domestic competition; and then, in alluding to those branches of commerce which had retained their former vigor, he ascribes it to their being independent of foreign power and competition, while

just after, there occurs the following passage in a note:—

" It is a curious fact, that among the causes of the decline of the Dutch trade, Sir William Temple reckons the cheapness of corn, which, he says, has been for these dozen years, or more, general in these parts of Europe. This cheapness, he says, impeded the vent of spicery and other Indian commodities among the Baltic nations, by diminishing their power of purchasing."

Aquin, in the same book and the 12th chapter, when treating on the Corn Laws, and adverting to the exhaustion of the fertility of land, he remarks that, " The British Isles show at present no symptom whatever of this species of exhaustion;" and in the next page he adds, that, " when we consider what has actually been done in some of the districts of England and Scotland, and compare it with what remains to be done in other districts, we must allow that no near approach to this limit has yet been made."

I will now quote from the 13th chapter of the same book, passages establishing the fact of misappropriation or want of proper regulation of commerce:—

" In the natural and regular progress of a country to a state of great wealth and population, there are two disadvantages to which the lower classes of society seem necessarily to be subjected. The first is, a diminished power of supporting children under the existing habits of the society with respect to the necessities of life. And the second, the employment of a larger proportion of the population in occupations less favorable to health, and more exposed to fluctuations of demand and unsteadiness of wages.

" The second disadvantage to which the lowest classes of society are subjected in the progressive increase of wealth is, that larger portions of them are engaged in unhealthy occupations, and in employments in which the wages of labor are exposed to much greater fluctuations than in agriculture, and the simpler kinds of domestic trade.

" In addition to the fluctuations arising from the changes from peace to war, and from war to peace, it is well known how subject particular manufactures are *to fail from the caprices of taste*. The weavers of Spitalfields were plunged into the most severe distress by the fashion of muslins instead of silks; and great numbers of workmen, in Sheffield and Birmingham, were, for a time, thrown out of employment, owing to the adoption of shoe-strings and covered buttons, instead of buckles and metal buttons. Our manufactures, taken in the mass, have increased with prodigious rapidity, but in particular places they have failed; and the parishes where this has happened are invariably loaded with a crowd of poor, in the most distressed and miserable condition."

In the 14th chapter of the same book, " It has been observed that many countries, at the period of their greatest degree of populousness, have lived in the greatest degree of plenty, and have been able to export corn; but, at other periods, when their population was very low, have lived in continual poverty and want, and have been obliged to import corn. Egypt, Pal-

estine, Rome, Sicily and Spain, are cited as particular exemplifications of this fact."

"In the numerous instances of depopulation which occur in history, the cause may always be traced to the want of industry, or the ill-direction of that industry, arising from violence, bad government, ignorance, &c, which first occasion a want of food, and, of course, depopulation follows. When Rome adopted the custom of importing all her corn, and laying all Italy into pasture, she soon declined in population. The causes of the depopulation of Egypt and Turkey have already been adverted to; and, in the case of Spain, it was certainly not the numerical loss of people occasioned by the expulsion of the Moors, but the industry and *capital* thus expelled, which permanently injured her population."

In the same chapter, page 57, there occurs the following passage, replete with important matter:—"The fact is, that, as no country has ever reached, or probably ever will reach, its highest possible state of produce, it appears always us if the want of industry, or the *ill direction* of that industry, was the actual limit to a further increase of produce and population, and not the absolute refusal of nature to yield any more."

Again, in the 4th book, and 4th chapter, page 117:—"I can easily conceive that this country, with a proper direction of the national industry, might, in the course of some centuries, contain two or three times its present population, and yet every man in the kingdom be much better fed and clothed than he is at present."

I should adduce many more passages of similar import to those now quoted, if I did not feel certain that these are in their nature so strong as to destroy all doubt of the quarter whence the great evil, whose course we are tracing, derives its origin, namely, in the *misappropriation by man* of the matter furnished for him: and it will be allowed by every reflecting and logical reasoner, that it would be entirely out of course to argue upon, or even to make allusion to, deficient provision, until we shall, in the *first instance*, have established the proof of perfect appropriation.

After perusing the foregoing passages, and then bringing the mind to weigh well the entire matter of evidence which the works contain, it is with the utmost astonishment that I find the author adopting conclusions imputing the social disorganization of man to the laws of moral and physical necessity. Thus, in the 3d book, and 2d chapter, page 268:—

"And thus it appears that a society, constituted according to the most beautiful form that imagination can conceive, with benevolence for its moving principle instead of self-love, and with every evil disposition in all its members corrected by reason, not force, would, from the INEVITABLE *laws of nature*, and not from any fault in human institutions, degenerate, in a very short period, into a society constructed upon a plan not essentially different from that which prevails in every known state at present—a society divided into a class of proprietors and a class of laborers, and with *self-love* for the main-spring of the great machine."

And again, in the 4th book, and the 6th chap-

ter, when treating on the natural rights of man, there is the following passage:—

"What these rights are, it is not my business at present to explain; but there is one right which man has generally been thought to possess, which *I am confident* he neither does nor can possess—a right to subsistence when his labor will not fairly purchase it. Our laws indeed say that he has this right, and bind the society to furnish employment and food to those who cannot get them in the regular market; but, in so doing, they attempt to reverse the laws of nature, and it is in consequence to be expected, not only that they should fail in their object, but that the poor, who were intended to be benefited, should suffer most cruelly from the inhuman deceit practised upon them."

The two passages just adduced, contain matter of as much importance to the moral and physical state of the human race as the mind of man can conceive. In the last, wherein all provision is denied to those who cannot find demand for their labor, the author declares that he is *confident* in the judgement which he pronounces. Now I have shown, by the foregoing series of evidence, that the entire train of his reasoning is defective. I have instanced repeated admissions from himself, that he advances, in his attempts to elucidate the science, amidst a mass of difficulties, perplexities, and doubts. Notwithstanding which, he declares that he is *confident* in the truth of the great, the all-important, and the appalling conclusion which he here pronulgates. If I had no other evidence to adduce against such a conclusion than one passage in his own works, yet this one alone would be amply sufficient for annulling it. It is in that part of his work on Political Economy, which I have before quoted, where, amidst a number of important propositions admitted to be unelucidated, this one occurs, "The causes which determine the wages of labor." If he has not been able to find out the causes which determine the wages of labor, it is evident that he cannot have found out that man has no right to subsist if his labor will not purchase it.

To try the proposition by another argument.—Subsistence—the right to enjoy which in the absence of certain circumstances is by this judgement denied—is affected by the greater or smaller amount of exchangeable commodities which is circulated or diffused among a community of people. These commodities are all comprised under the general term, capital. Now upon no other subject whatever has so much distraction prevailed in the counsels, and so much contrariety in the enactments of states, as upon the laws for the formation of capital. With regard to them two opposite theories have been and are, up to the present moment, held. The one attributes the quicker formation of capital to restricted or regulated production, whereby the members of a given community are confined, in a greater degree than they would freely or naturally consent to be, to the consumption or demand of commodities wrought by the labor of members of their own community.

By the other, which is called the "free" theory, it is alleged that such policy places an injudicious restraint upon the efforts of industry, and is preventive of the growth of capital; and as an an-

tagonist principle, the supremacy, in all instances, of the self-directing impulse is maintained in it, which urges each member to develop, to the utmost of his power, the material things of creation, and, disregarding all previous divisions of labor and the established exchange of commodities, to leave off demanding or consuming the productions of others, just as his own interest or will shall impel him. From such a course of self-imposed action is inferred the greatest amount of social good; or, the largest accumulation of things necessary, convenient, and luxurious.

Of these two opposing theories, it must necessarily be that one is false. The policy of this country during many centuries had been in accordance with the former. Of late years, however, the principle from which it derived its origin has been so violently assailed as to bring about a most important relaxation of the anciently-recognised rule of commercial action. Regulating laws having been abrogated, freedom has been permitted, inducing competition and changes in the employment of capital to a degree heretofore unknown. If the former of these theories should be untrue, in that case the paucity of capital must be attributed to the cause which has often been alluded to in the work now under examination, namely, *the ill direction of industry*, brought about by the operation of erroneous legislation; and it would be wholly unwarrantable to argue against the right of possessors of undemanded labor to subsistence, until such erroneous legislation had been amended, and time allowed for the reparation of all its injurious results. Although much diminished, yet at present a vast portion of the restrictive laws are in force, as for instance, the most important of all, the corn laws. This argument has been partially noticed by the author of the proposition I am now trying, in the 3d book and the 12th chapter, and his observations respecting it are, "this is unquestionably a powerful argument;" and then he adds a paragraph in parenthesis which, as is customary with him, throws the whole subject back into its original obscurity, for he says, "granting fully the premises, which, however, may admit of some doubt."

On the other hand, if the theory of restricted or regulated production be true, and the antagonist principle of free trade or uncontrolled consumption and competition be untrue, in that case the paucity of capital must be a consequence of the great latitude permitted to the selfish impulses of human desires, which evince themselves in every quarter. But on which side soever of the argument the advocates for the authority of this author should choose to rest the case, still, the evidence afforded, would be destructive of the judgement pronounced; because, as of two theories adduced, neither of them has ever been permitted in practice to perform its full and perfect operation, so it follows, that the demand for labor can at no period have been so justly proportioned to the supply, as the laws of nature admit, and, consequently, labor never can have received its just remuneration.

Again:—

The case adduced is that of a vast portion of mankind being in the almost destitute condition in which the species is found previous

to any advance in civilization having been made, or the division of employment, and consequently, the exchange of commodities having sprung up; but with the circumstances against these unhappy members, aggravated to the extreme degree of human endurance; for in their case, the use of all the animal and vegetable materials which are adapted for sustaining life, and which are placed within reach of appropriation by man in his uncivilized state, is wholly interdicted. If we suppose the case of agricultural production, here recourse to unappropriated land is not permitted; it is reserved for those who may *hereafter* be rich enough to demand its productions.—Likewise of all animal nourishment that is found in the fields, the woods, and the waters. Also of every other kind of matter that can conduce to the subsistence or comfort of man. These are all decreed, by the selfish usages of wrongly civilized life, to be for the sport or the luxurious indulgence of those who already possess abundance. In such a state of conventional regulation, those of mankind who occupy the lowest grade in their respective communities can only procure subsistence by offering their labor for hire. To this offer the reply is, capital is deficient; and as to deficient capital, I submit that I have shown that it cannot be assigned to any other cause than *defective appropriation*.

How unjust and horrid, then, is the attempt of this writer to cast upon the Creator the responsibility of the derangements thus made by the creature, which occurs so often in his general argument, and which is strongly set forth in the following passage taken from the 4th book and the 8th chapter:—

"After the public notice which I have proposed had been given, and the system of poor laws had ceased with regard to the rising generation, if any man chose to marry without a prospect of being able to support a family, he should have the most perfect liberty to do so. Though to marry, in this case, is, in my opinion, clearly an immoral act, yet it is not one which society can justly take upon itself to prevent or punish; because the punishment provided for it by the laws of Nature falls directly and most severely upon the individual who commits the act, and through him, only more remotely and feebly, on the society. When Nature will govern and punish for us, it is a very miserable ambition to wish to snatch the rod from her hands, and draw upon ourselves the odium of executioner. To the punishment, therefore, of Nature, he should be left, the punishment of want. He has erred in the face of a most clear and precise warning, and can have no just reason to complain of any person but himself when he feels the consequences of his error. All parish assistance should be denied him; and he should be left to the uncertain support of private charity. He should be taught to know that the laws of Nature, which are the laws of God, had doomed him and his family to suffer for disobeying their repeated admonitions; that he had no claim of right on society for the smallest portion of food beyond that which his labor would fairly purchase; and that if he and his family were saved from feeling the natural consequences of his imprudence, he would owe it to the pity of some kind bene-

factor, to whom, therefore, he ought to be bound by the strongest ties of gratitude."

The declaration—"he should be taught to know that the laws of Nature are the laws of God," opens up matter of the most extensive and awful import. It might be supposed that the author's observation had never been attracted by the fact of the fallen, ignorant, and depraved nature of man. The general subject-matter of which he has undertaken to treat is that of the laws made by man in his capacity of legislator, and of the still wider range of those actions of man which occur out of or beyond the sphere of legislative control or coercion. Before setting down his conclusion or connecting his facts with the agency of God, he was bound to show that the laws of man have been framed, in every instance, in accordance with justice, or the perfect law of God; and, moreover, that all social action or the general dealing of mankind has been of a similar character of justice, purity, and truth.—Had he succeeded in showing this, then his great declarative proposition, "the laws of Nature are the laws of God," would have been apposite. Now it has been my duty to show how signally the author has failed in all his attempts to elucidate the subject-matter alluded to, and moreover, that in repeated instances we find upon record his own admissions of failure. In addition to this evidence of a negative character, we have, on the face of the same record, admissions of a positive character likewise, such as, that labor is frequently thrown out of employment by changes in fashion—by the substitution for it of mechanical power—by the productions of foreign labor being brought into competition with those of domestic labor—and also by home competition.—Now over all these extensive causes of rejection and degradation the laborer himself possesses no control, neither has he the power of foreseeing their advent. They are set in motion entirely by the taste, the caprice, and the ill-regulated or selfish desires of those members of the community who occupy more elevated positions than he, and it is on these agents, therefore, that the responsibility of the derangements alone rests. And yet, notwithstanding the powerful and conclusive evidence thus put forward by the author himself, for the arrest of all judgement, or, I am warranted in adding, for deciding in favor of the weaker party, he has incautiously and presumptuously proceeded to occupy the judgement-seat of the most exalted One, and under the usurped sanction of the most sacred of names, has promulgated an edict which, if carried into effect, would consign a great portion of mankind to miserable and rapid destruction. Thus, I contend, that the great judgement by which the right of the destitute to subsistence has been denied, being wholly unsupported by evidence, must necessarily fall.

It must excite surprise and great regret that Malthus should have delivered a judgement so unreasonable, unjust, and oppressive, and there is only one way of accounting for it that occurs to me. His mind was occupied in investigating the great and important subject, at a period when the horrid power generated by a state of anarchy, was devastating the public "actions of France, and invading the security of domestic life. A state of social confusion in that country had call-

ed forth many men endowed with energetic and powerful spirits who, by their writings, excited, in the first place, hatred against all known state abuses, and taking advantage of the passion thus aroused, they endeavored, in the next place, to undermine the foundations of existing governments. Now Malthus entered the arena as an antagonist of these writers, but was wholly incapable of grappling with and destroying the main arguments of his adversaries. The powers of his mind were inadequate to the task of separating good from bad, consequently he was not able to uphold the one and to cast down the other. Failing, therefore, to place on its right foundation the governmental principle of man, he was induced to seek safety by attempting to implicate the Providence of God.

In confirmation of the line of argument that I have advanced against the validity of his great judgement, I will refer to two passages in his "Principles of Political Economy." At the close of this work, in the 10th section of the 1st chapter, under the head of the "Progress of Wealth," he attempts to take a general or comprehensive survey of the subject, both in its theoretical and practical development. It will be apparent that if he had been able, in the course of his preceding investigations, to discover and to establish a great general principle, it would here, more especially, have been brought into action, and have served him as a guide in forming a correct judgement on the arguments and practical results, the collective evidence of which his mind was occupied on considering. The passage occurs at page 418, and is as follows:—

"With regard to these causes (alluding to the causes of distress), such as the cultivation of our poor soils, our restrictions upon commerce, and our weight of taxation, I find it very difficult to admit a theory of our distresses so inconsistent with the theory of our comparative prosperity. While the greatest quantity of our poor lands were in cultivation; while there were more than usual restrictions upon commerce; and very little corn was imported; and while taxation was at its height, the country confessedly increased in wealth with a rapidity never known before. Since some of our poorest lands have been thrown out of cultivation; since the peace has removed many of our restrictions upon commerce, and, notwithstanding our corn laws, we have imported a great quantity of corn; and since seventeen millions of taxes have been taken off from the people, we have experienced the greatest degree of distress, both among capitalists and laborers."

Thus, upon remarking on the acknowledged rapid increase of capital or prosperity at one period, and then upon the declining rate of increase of capital or adversity at another, he is necessitated, by the matter of fact, to assign the state of prosperity to a period when restrictions or regulations upon commerce existed to a greater degree; and the state of adversity to a period when many restrictive regulations had been abolished, and much more freedom of commerce permitted. He contents himself, however, merely with directing attention to this state of facts in practice, which, in appearance, attaches confirmation to the asserted theory of restricted or regulated commerce,

and, by consequence, falsification to its antagonist, or the theory of unregulated or free trade; and having thus commented, he does not attempt to decide the question, but leaves the connection of causes and effects, though partially suggested, yet wholly untraced, while immediately succeeding, at page 420 there occurs this remarkable passage:—

" Altogether the state of the commercial world since the war, clearly shows that SOME-
THING ELSE is necessary to the continued increase of wealth *besides an increase in the means of producing."*

What this "something else," or great latent beneficial principle is, having failed to discover, he substituted for it matter by conjecture. This short passage is full of deeply interesting and important meaning; for, without doubt, in it is the opening which would lead to the truth of the entire science, but which, hitherto, human investigation has not penetrated.

The evidence which I have thus adduced from the writings of Malthus, bearing upon the great question, of the comparative increase of population and capital, shows, that the implication contained in that question, which is adverse to the exercise of one of the dearest and most powerful affections inherent in the nature of man, is entirely without foundation. For, on whatever side the question be viewed, it is apparent, that the fact is not an excessive increase of people as compared with our power of procuring means or capital; but that it is a deficient acquisition of means or capital, arising entirely from the absence of a proper direction or regulation of the NATIONAL WILL.

ARGUMENT FIRST.

PART III.

As the defective and false character of the *scientific* evidence which is extant on the great subject of general commerce has been shown by my preceding investigations, it becomes, in the next place, a most important and interesting object to ascertain the nature of the *practical* evidence, or that by which the legislature has been influenced in framing or altering the commercial laws of the country. In order to effect this purpose it will be obvious that the best method to be pursued, is that of entering upon a careful examination of the speeches of a leading practical statesman and member of Government, who has been chiefly instrumental in effecting changes in the commercial policy of the country. I allude to the speeches of Mr. Huskisson. It might naturally be expected that there must be extant somewhere, a far better development of the subject than that which I have already brought under notice, and that an examination of the practical treatment of this immense question, by the inquisitorial judgement of the legislature, will bring to light a far better state of knowledge. Such, however, is not the fact; for the result established by an examination of the legislatorial management and progress of the question, is of a character analogous to that which is afforded by the scientific evidence already adduced. This I will now prove.

Having carefully examined the proceedings of

the legislature, as contained in the speeches of Mr. Huskisson, I feel called upon to notice, in the first place, a most remarkable course of action which the advocates of the free principle were successful in getting adopted to a great extent, and which gave them a most important advantage over opposing advocates, but which, I shall contend, was a false and most unjust course. It appears then, that the ancient constitutional principle,—the forming regulations for the protection and encouragement of existing and growing interests—had, in many instances, been applied unequally and greatly abused. Hence arose the introduction and the acceptance of the word "monopoly." By this term the misapplications and abuses were intended to be characterized, and thus it became a word of odious import. Now the general ignorance which has prevailed, and which is still prevalent, respecting the science of Political Economy, prevented its various writers from discriminating between the true and the false in the science, so that when they brought the matters upon which they had been treating to a final judgement, they condemned alike the good and the bad; or rather, I am bound to go further, and to declare, that they generally condemned truth and elevated falsehood, and upon such occasions the favorite term "monopoly" was introduced for the purpose of wrapping up the judgement, of concealing whatever was faulty in it, and rendering it more suitable to the public taste.

In this degraded state of general or national conviction, the various commercial laws or regulations of the state were brought under inspection and discussion, and then the following fatal rule was admitted, namely, that of assuming the policy of any cited regulation to be false unless it should be proved to be true. This rule is expressed by Mr. Huskisson, in a speech made on the 12th February, 1824, in these words:—"I appear ed to him, that from the moment that the policy of ourlaws, no matter how numerous, or how long enacted—was called into question, the onus of proving their necessity rested with those who undertook to maintain them." It will be obvious, that when the onus of proving had thus been decided as resting upon those parties who enjoyed any peculiar legislative protection, that it imposed on them a task which the united efforts of all writers had theretofore failed to accomplish, that of working out by demonstration the entire question of national economy: for it will be seen, that let the matter or the interest set up for discussion be of a character even the most minute, nevertheless, the successful working of its case would involve the solution of the entire question, resting, as it must of necessity rest, upon the great general principle applicable to all national property. Now, it having been conceded, that the award of triumph shall be assigned to the method of arguing by objection, it will be evident, that the labor on this side became comparatively trivial, and the qualification of advocates, in regard both to intellectual strength and rectitude of purpose, greatly deteriorated. By the adoption of this unjust and fatal order in the governing power, looseness, change, and destruction became the rule, while conservation of existing right, stability, and security, became the exception.

The working of this unjust method may be made apparent by a simple proposition of facts. For the purpose of the argument, I will assume the number of the divisions of labor, or the varied productions of the state, to be twenty. This will be as efficient as any number whatever for illustrating the operation of the principle. Now I will suppose, that the regulation affixed by the existing law to the first of these divisions of labor or productions, is arraigned. The plan of proceeding will then be to apply the word "monopoly" to the regulation under which the actors in this division, or the producers of the commodity, bring their production into the general market of the state. It will be asserted, that this monopoly has an injurious effect upon the rest of the community, or upon the *public*, as the demanders or consumers of the commodity adduced will be called; and upon this plea a destruction of the regulation will be demanded, and the members of the nineteen other divisions of labor will be invited to unite their strength in order to effect the object proposed.

Again, when the regulation attached by the law to the second division of labor, or the second commodity, shall be arraigned, it will be alledged, in like manner, that those interested in the production possess a similar monopoly against the rest of their countrymen or the public; and then, in this second, as in the first instance, the members of the other nineteen classes of producers will be urged to unite for the purpose of destroying the regulation enjoyed by the second. Again, with the third—so likewise with the fourth, fifth, sixth, and onwards throughout the circle. Thus it will be evident, that the advocates of the free principle will have succeeded in arraigning each division or class in its turn, and destroying its privilege by uniting the members of all the other divisions against it, so that the entire national interest will have become divided and leagued against itself; for, it will be apparent, that the body called the "*Public*" has, in the progress of the operation, been gradually diminishing, until at last it has become a nonentity, each fraction of the whole, or the public, having been subjected to one and the same course of action and to joint condemnation. I am justified in saying "the whole of the public," because it must be remembered, that no person can be a consumer, without having a pre-existing interest, either directly or remotely, in some matter of production.

Under the rule of arguing upon which I have just commented, the speeches of Mr. Huskisson which support the free trade principle were delivered in Parliament. Hence it has happened, that after a careful perusal of them, I do not find that in one instance this statesman has ventured to place before the attention and examination of his audience, the great substantial problem upon which the entire question of free trade rests. He has alluded to certain great and acknowledged authorities in the science of Political Economy as affording matter coincident with that which he had been propounding, and his hearers appear to have been lulled by such assertions, and to have acquiesced in the assumption that such authorities possessed a substantial existence. The basis of all argument being thus assumed, it was the custom of the speaker to make up his addresses

by means of the most extensive and ill-founded generalities. On many occasions, unskillful adversaries have ventured to attack his positions; when the false matter thus put forth, has furnished him with an opportunity of triumph, not because his own matter was right, but because that of his opponents was wrong.

The speeches of this statesman, though containing frequent declarations of the benefit to be derived from the free principle, contain also matter which entirely controverts such declarations. This is peculiarly strong and most conspicuous, whenever the important question of the Corn Laws is brought under discussion; and when the larger portion of his audience was far less disposed than usual to place confidence in mere assurances, and to relinquish a substance in possession, when merely the shadow of compensation was sketched out to them. It will be my object to select for consideration passages which approach nearest to the principle involved in the question before us. These passages will be chiefly in opposition to the free trade principle, or to the course of argument, and to the conclusions, which the speaker himself, on other occasions, contended for. By these, I shall show that this minister had not required any view which approached at all near to a clear or well-defined view of his subject; and hence I infer, that he was influenced by the following considerations. He beheld a strong passion for change actuating the public mind, and perceiving the difficulty of resisting the impulse, he resolved on going with it. Whether the impulse was in accordance with truth or error, he did not know, though undoubtedly he entertained a very strong desire to be right.

Being guided by the impulse just stated, he introduced, for the sanction of the legislature, various and most important changes in our commercial laws. Soon, however, he appears to have apprehended the injurious operation of the free or competition principle to which he had given scope; for, in the year 1825, there occurs a remarkable stop in the application of his policy. This occurred on the question of the Irish Linen Trade. The lower rate of duty to which he had intended to have subjected this species of home manufacture, was actually inserted by himself in the schedule of duties, and the Bill containing it was in Committee, when he asked to be permitted to withdraw the new law which he had proposed, and to uphold the value and the stability of the trade, by the preservation of the existing regulation. The reasons he gave for this remarkable procedure, or the abandonment of the free principle, will be found to be in exact accordance with policy to which all free trade statesmen are so strenuously opposed, and which they so greatly revile, but which is the ancient constitutional principle. From the date when this occurred to the end of his career, he was chiefly influenced by the policy of protecting home institutions and interests against the destructive effects of competition and competition, and for this course he argued strenuously. The policy is more especially enforced in the debate on the Corn Laws on the 18th of April, 1825. In this debate the renunciation of the free trade principle is as complete as words can render it.

The view of the case which I have just de-

scribed, I will now substantiate by evidence, and you will then have before you three material points—firstly, the fact of the experiment having been made; secondly, the stop put to the application of the course of the experiment; thirdly, the renunciation by the minister of the free trade principle.

The first passage to which I will request your attention occurs in a speech made upon Sir H. Parnell's resolutions on the state of the Corn Laws in May, 1814. It affords a strong argument for preferring the home trade in corn to the foreign, and is as follows:

" Notwithstanding the importance that was attached to the importation of grain, it was an ascertained fact that in no one year had more than about one-tenth or one-twelfth of the whole consumption been drawn from foreign countries. *If no foreign corn had been imported the nation would have saved sixty millions sterling.* It might be said, that without this importation sixty millions' worth of our manufactures would have remained unsold; but then, it is not recollect what those sixty millions would have effected, if they had been expended in the improvement of our agriculture; or, *what increased means of purchasing our manufactures they would have given to the agriculturists.* If, on being laid out at home, they had produced these natural effects, then, the country would have added to her means of independence, and have created a market, of which no external relations could have deprived her."

Again, on addressing the House on the state of the Corn Laws, in February, 1815:

" What would be the effect, if the agriculture of the country were allowed to fall back, as had been recommended by our honorable member? The capital was so amalgamated and incorporated with the general improvement of land in draining, embanking, and other ways, that it was impossible for the agriculturist to withdraw it, in the same way as might be done in commercial speculations. The capital thus invested would, in this case, be so much national wealth thrown away.

" Nothing could be more fallacious than the notion that cheapness in the price of provisions was always a benefit. He had it from good authority, that the laborers in Scotland consumed less corn now, than they did when the article was much dearer. Cheapness without a demand for labor was a symptom of distress; cheapness always prevailed where enterprise was at a stand. Thus, in France cheapness, in England capital, prevailed."

Again, in May 1820, in the debate on Agricultural Distress—" He contended that the chief cause of the distress complained of was founded on the falling prices of two objects of exchangeable value; which two objects he considered to be corn and labor."

Again, in February 1822, the subject of discussion being the causes of agricultural distress, he attributes this, as also manufacturing distress, to excessive or disproportional production.

" It can now no longer be denied, that the manufacturing distress of the years 1816 and 1817 was produced by previous overtrading, combined with the altered value of the currency: it

remains to be seen whether causes, in a great degree similar, have not mainly contributed to the present depression of our agriculture. The excess of supply in all the principal markets proves the redundancy of produce; and that redundancy, together with the improved value of money, is quite sufficient to account for the present low prices. That this superabundant production is of our own growth is also undeniable."

Again, in the same speech—" If no alteration had been made in our Corn Trade with Ireland, probably the pressure of this glut might never have been felt, or felt only in a very slight degree, by the English grower. He did not anticipate the immense change which had been produced by the law of 1806. His improvements proceeded upon calculations which did not allow for the prolific powers of the more fertile soils of Ireland. He did not foresee that, by the time those expensive improvements would be in their full bearing, we should be furnished with an annual supply from that country exceeding the average import of foreign corn from all parts of the world before the introduction of this law. This however is the fact: *the present depression is the result of the competition created by an excess in both countries—a competition the more severely felt by both, as they have to struggle at the same time with the increased value of money.*"

" The Corn Bill of 1815, however well intended, has certainly contributed to aggravate the present distress. It was passed under an impression of the inability of this country to raise corn enough for its own consumption. The effect of that impression was a pretty general belief, confirmed by the decided opinions of great authorities who opposed the Bill in both Houses of Parliament, that the import price of eighty shillings a quarter would thenceforward be the minimum price of wheat in England. The consequence was, that prospective calculations, either of improvement, or for the letting of land, were formed very much upon these assumptions: and as the import price was stated to be the lowest price which, according to the doctrine of that day, would remunerate the British grower, it was considered that up to eighty shillings remuneration was secured, and all above it would be profit. The calculation would not have been disappointed had the data been correct; but the country was then rapidly advancing to a state in which its produce would exceed its consumption; and the erroneous consequences of this calculation, joined to two or three productive harvests, have led to the present depression."

On the 1st of April, 1822, on the discussion of the Colonial Trade Bill, there is a line of argument in conformity with the principle of protection and regulation, and therefore entirely at variance with the free principle. It runs thus:

" He anxiously hoped to see that Parliament would proceed to enable the masters of slaves in our colonies to treat those slaves in a way which, he was satisfied, would be most congenial to their own feelings. Supposing that cheaper sugar might be imported from the East Indies—and he was far from believing that a state of slavery was the fittest for rendering labor cheap;

yet, undoubtedly, there were circumstances which would, from the extreme cheapness of labor in the East, extinguish all competition on the part of the West Indies. From a principle of justice, therefore, and in order to induce the masters to afford protection to the unfortunate beings committed to their care, we were bound to favor them, and extend towards them a beneficial and liberal policy. They had a certain population to support, at all events, and whether their foreign trade was more or less restricted."

On the 22nd of May 1823, on Mr. Whitmore's motion for inquiring into the Duties on East and West India Sugars:

"The East Indians were, he was satisfied, now contending for a measure which, if granted, would not alter the quantity of sugar imported; or which, if it did, would be injurious in the end to the growers of it."

"He agreed with the honorable member for Port-Arlington that, considering the question abstractedly, and without reference to the state of things which had grown out of the colonial policy of this country for the last century; considering the question abstractedly, the only point deserving of notice was, where, as consumers, could we get our sugars at the cheapest rate? But he denied that the question ought to be so abstractedly considered. It was a question to be looked at with reference to a number of complicated circumstances; and far was he from agreeing that the House might press hard upon a West Indian, because that West Indian happened to be an owner of slaves. That the West Indian was an owner of slaves was not his fault, but his misfortune; and if it was true that the production of slavery was more costly than that of free labor, that would be an additional reason for not depriving him of the advantage of his protection duty."

"As for the advantages expected to accrue to India, in the shape of employment for her population, from the removal of the duty in question, he believed that those advantages were altogether imaginary. Supposing—what he, for his own part, did not believe would be the case—supposing that the removal of the protecting duty did lead to an increased production of sugar in India, still the persons who had been employed in manufacturing muslins would not turn their hands to the cultivation of sugar. Such a transfer of labor from one course of action to another, would be difficult in any country, and in India the system of castes rendered it almost impossible."

On the 28th April, 1825, on a motion for a revision of the Corn Law:—"If capital had not a fair remuneration here, it would seek for it in America. To give it a fair remuneration, the price of labor must be kept down;* for if it were not kept down, the distress it would occasion to the manufacturer would soon revert with tenfold force upon the agriculturist. He had told the agriculturist in 1822—he repeated it now—that the improved condition of the manufacturing classes, and their augmented powers

of consumption, were a sure harbinger of improvement to the agricultural classes."

"Agriculture could not flourish, unless all other classes in the country were in a state of prosperity. Commerce and manufactures could not sustain themselves here, if they met with greater advantages in other countries. The profits now derived from them were smaller than they had been at any former period; and any thing which tended to increase them would be productive of great benefit. He mentioned this circumstance to prove, that it would be necessary to enter, at a future time, upon the revision of the corn laws; though he maintained, as he had before done, that the present was not the moment for commencing it. We had done a great deal already to promote the freedom of trade; but every thing could not be done at once. We had allowed the importation of wool, of iron, and of various articles which had formerly been prohibited; and the effect of that measure had been to produce a large importation of the prohibited articles. Some difficulty might arise if we proceeded too far in such a system; and it was, therefore, prudent to wait awhile where we now were, to see whether such difficulty would arise, and if it did arise, how it was to be obviated."

With regard to the important matter contained in the extracts just made, I must invite most especial consideration to two leading features. The one is, the admission that the free principle had been brought into very extensive operation; and the other, that the general profits were smaller than they had been at any former period. It must be remarked, too, that this was not pronounced with reference to any particular branch of trade, for the terms are the most extensive that can be used, being Commerce and Manufactures. Upon reflecting on the peculiar character of this opinion, I am led to the conviction that the speaker began to discern the fatal precipice to which he was advancing; and this view is confirmed by the course he took in the instance following. Besides which, the memorable period at which these transactions occurred should be borne in mind—the year 1825.

In June, 1825, on the introduction of the "Customs Consolidation Bill," I find the following matter wholly at variance with the free principle, and upholding the principle of protection or regulation. The article alluded to is Linen, and this is the very remarkable instance which I have before noticed, where Mr. Huskisson had actually put the lower rate of duty into the schedule, but begged leave to have it withdrawn. His argument is as follows:—

"There were several circumstances connected with this particular manufacture that were necessary to be taken into consideration. In Ireland, for instance, it was conducted by manual labor alone, he might say without intervention of any machinery. In respect of linen, therefore, it might be described as a competition between labor and labor that must subsist between those which were made at home and those which were manufactured abroad. But again, with regard to Ireland, the interests of which country every honorable gentleman must look to with peculiar anxiety and favor, it was to be ob-

* This, I contend, is a most pernicious error. I shall be able to show, in my constructive argument, that the property of the capitalist does not arise from the depression of the laborer, the natural law being, that both flourish together and are mutually dependent.

served, a great change was effecting in her linen manufacture; for machinery was now rapidly introducing itself into that branch of her trade, and a great portion of capital was coming gradually into circulation in that country; and had the foreign manufactures been admitted at the lower duty which he had originally proposed, it was feared that many impediments might have opposed themselves to the progress of the improving commerce; the consequence of which would probably have been that, losing its present advantages, the Irish Linen trade might never have been able to meet its foreign competitors: that this manufacture would not only not have arrived upon any favorable terms in other markets, but might have been lost to Ireland altogether. The Committee must see the difficulty in which any person must stand who was in his situation. If, in the calculation of a certain revenue, a slight error happened to be committed in the original statement, and the produce was discovered to be proportionably affected or altered, nothing in the world would be more easy than to correct such an error, and the public service would be sensible of little or no inconvenience from the occurrence of such a mistake. But if, in the apportionment of duties, or the regulations of trade, wherein the interest of so many thousands was involved, such errors should happen to creep into the measures of the Government, the country would long have to brood over the serious consequences that must ensue."

Now, in the matter just quoted, there is a clearly-stated or unequivocal admission of the injurious tendency of the free principle. The minister appeals to Parliament in behalf of the deeply-afflicted people of Ireland, admonishing members that they ought to look on them with "peculiar anxiety and favor." This is, doubtless, the duty of Parliament; but surely equal regard and commiseration should have been entertained and exercised towards the suffering weavers of Spital-fields, of Norwich, and of other places.

When the evidence contained in the foregoing quotation is viewed as bearing on the general question, the inference might justly be drawn, that the statesman had been charged to inflict some dreadful scourge on his countrymen, and especially upon that portion of them whose destiny it is to gain a subsistence by labor. That when he came to apply this scourge to the depressed, emaciated, and almost exhausted laborers of Ireland, it became apparent to him that these wretched victims could endure no addition to their sufferings, consequently, he entreated for the exercise of compassion and forbearance. His words should have been:—For others of my countrymen I entertain no anxiety—I ask for no relaxation of this course of action—I put forth no claim for favor; but I do implore you in this case to arrest the cruel and destructive operation of this free or competition principle, and in its place to grant the sustaining aid of protection and just regulation.

In February 1826, a discussion was raised by the member for Coventry, on the effects which had been produced by the free-trade system on the Silk Manufacture. In the debate which ensued very strong language was used for the purpose of impugning the system. Upon this Mr. Huskis-

son entered upon a vindication of his measures and motives, and referred the House to a very important document, as embodying all the principles upon which the Government had acted respecting the immense question of general commercial policy. This document was viewed as of a character so important, that the House insisted upon its being read throughout. I shall therefore quote it entire. It is a petition from the Merchants and Traders of the City of London, and contains a full and a clearly-expressed exposition of the free-trade principle. It states—

"That foreign commerce is eminently conducive to the wealth and prosperity of the country by enabling it to import the commodities, for the production of which the soil, climate, capital, and industry of other countries are best calculated, and to export in payment those articles for which its own situation is better adapted.

"That freedom from restraint is calculated to give the utmost extension to foreign trade, and the best direction to the capital and industry of the country.

"That the maxim of buying in the cheapest market, and selling in the dearest, which regulates every merchant in his individual dealings, is strictly applicable as the best rule for the trade of the whole nation.

"That a policy founded on these principles would render the commerce of the world an interchange of mutual advantages, and diffuse an increase of wealth and enjoyments among the inhabitants of each state.

"That, unfortunately, a policy, the very reverse of this, has been and is more or less adopted and acted upon by the Government of this and of every other country; each trying to exclude the productions of other countries with the specious and well-meant design of encouraging its own productions; thus, inflicting on the bulk of its own subjects, who are consumers, the necessity of submitting to privations in the quantity or quality of commodities; and thus rendering what ought to be the source of mutual benefits, and of harmony among states, a constantly recurring occasion of jealousy and hostility.

"That the prevailing prejudices in favor of the protective or restrictive system may be traced to the erroneous supposition that every importation of foreign commodities occasions a diminution or discouragement of our own productions to the same extent; whereas, it may be clearly shown, that although the particular description of production which could not stand against the unrestrained foreign competition, would be discouraged, yet, as no importation could be continued for any length of time without a corresponding exportation, direct or indirect, there would be an encouragement, for the purpose of that exportation, of some other production, to which our situation might be better suited; thus affording at least an equal, and probably a greater, and certainly a more beneficial, employment to our own capital and labor.

"That of the numerous protective and prohibitory duties of our commercial code, it may be proved, that while all operate as a very heavy tax on the community at large, very few are of

any ultimate benefit to the classes in whose favor they were originally instituted; and none to the extent of the loss occasioned by them to other classes.

" That among other evils of the restrictive or protective system, not the least is that the artificial protection of one branch of industry, or source of production, against foreign competition, is set up as a ground of claim by other branches for similar protection; so that, if the reasoning upon which these restrictive or prohibitory regulations are founded, were followed consistently, it would not stop short of excluding all foreign commerce whatever.

" And the same strain of argument which, with corresponding prohibitions and restrictive duties, should exclude us from foreign trade, might be brought forward to justify the re-enactment of restrictions upon the interchange of productions (unconnected with public revenue) among the kingdoms comprising the union, or among the counties of the same kingdom.

" That an investigation of the effects of the restrictive system at this time, is peculiarly called for, as it may, in the opinion of the petitioners, lead to a strong presumption that the distress which now so generally prevails, is considerably aggravated by that system, and that some relief may be obtained by the earliest practicable removal of such of the restraints as may be shown to be most injurious to the capital and industry of the community, and to be attended with no compensating benefit to the public revenue.

" That a declaration against the anti-commercial principles of our restrictive system is of the more importance at the present juncture, inasmuch as, in several instances of recent occurrence, the merchants and manufacturers in foreign states have assailed their respective governments with applications for further protective or prohibitory duties and regulations, urging the example and authority of this country, against which they are almost exclusively directed, as a sanction for the policy of such measures; and certainly, if the reasoning upon which our restrictions have been defended is worth any thing, it will apply in behalf of the regulations of foreign states against us; they insist on our superiority in capital and machinery, as we do upon their comparative exemption from taxation, and with equal foundation.

" That nothing would tend more to counteract the commercial hostility of foreign states than the adoption of a more enlightened and more conciliatory policy on the part of this country.

" That although, as a matter of mere diplomacy, it may sometimes answer to hold out the removal of particular prohibitions or high duties, as depending upon corresponding concessions by other states in our favor, it does not follow that we should maintain our restrictions in case where the desired concessions on their part cannot be obtained; our restrictions would not be the less prejudicial to our own capital and industry, because other governments persisted in pursuing impolitic regulations.

" That upon the whole, the most liberal would prove to be the most politic course on such occasions.

" That, independent of the direct benefit to be derived by this country on every occasion of such concession or relaxation, a great incidental object would be gained by the recognition of a sound principle or standard, to which all subsequent arrangements might be referred; and by the salutary influence which a promulgation of such just views by the legislature, and by the nation at large, could not fail to have on the policy of other states.

" That in thus declaring, as the petitioners do, their conviction of the impolicy and injustice of the restrictive system, and in desiring every practical relaxation of it, they have in view only such parts of it as are not connected, or are only subordinately so, with the public revenue; as long as the necessity for the present amount of the revenue subsists, the petitioners cannot expect so important a branch of it as the customs to be given up, nor to be materially diminished, unless some substitute less objectionable be suggested; but it is against every restrictive regulation of trade not essential to the revenue, against all duties merely protective from foreign competition, and against the excess of such duties as are partly for the purpose of revenue, and partly for that of protection, that the prayer of the present petition is respectfully submitted to the wisdom of Parliament. The petitioners, therefore, humbly pray, that the House will be pleased to take the subject into consideration, and to adopt such measures as may be calculated to give greater freedom to foreign commerce, and thereby to increase the resources of the state."

The petition having been read, Mr. Huskisson added, " It will be clear to all who have been at the trouble to attend to the very able document which I have just read, that it embraces all the great principles of commercial policy upon which Parliament has since legislated."

Now this petition is, undoubtedly, a document of vast importance, because it contains the foundation-matter on which the free-trade principle rests; and moreover, because it has received from the accredited minister of the Government an acknowledgement " that it embraces all the great principles of commercial policy upon which Parliament has since legislated." The matter of the petition, therefore, becomes identical with the views and the general policy of the Government.

With regard to the matter itself, I am bound to remark that its general scope is of a character accordant with that which had been, during many previous years, so profusely put forth to the country. Abounding in alluring descriptions which the promulgators themselves are pleased to designate as enlarged and enlightened views, it cannot fail to be read with admiration by all who are so credulously disposed as to look with equal favor upon words and things, but its great and all-pervading property or nature still remains to be tried. This I proceed to examine.

Now, the substantial matter of the entire document is concentrated in one paragraph, which is the following:—

" That the prevailing prejudices in favor of the protective or restrictive system may be traced to the erroneous supposition that every importa-

tion of foreign commodities occasions a diminution or discouragement of our own productions, to the same extent: whereas, it may be clearly shown, that although the particular description of production which could not stand against unrestrained foreign competition would be discouraged; yet, as no importation could be continued for any length of time without a corresponding exportation, direct or indirect, there would be an encouragement for the purpose of that exportation of some other production, to which our situation might be better suited; thus affording at least an equal, and probably a greater, and certainly a more beneficial, employment to our own capital and labor."

Of the above paragraph, the essential point consists in these words—"thus affording at least an equal"—"and probably a greater"—"and certainly a more beneficial, employment to our own capital and labor." Now, although no solution of the great question propounded at the commencement of my argument is here attempted, yet a conclusion is asserted as applicable to it, and I beg to invite your particular consideration to its terms. The words, "at least," are attached to the words, "equal employment;" the word "probably," is attached to the words "greater employment," and the word "certainly" is attached to the words "more beneficial employment." Now, I contend, that the three qualifying degrees or variations here put forth, prove the unascertained or conjectural nature of the entire matter. I contend that the middle term, or that of "probably," is the only term which the petitioners were warranted in attaching to either of the three portions into which they have divided their proposition. The preceding part of my argument has been devoted to tracing out the scientific treatment of this proposition; and I have shown you how signally every writer has failed to "show clearly," or to prove it; and I have exhibited to you those parts of their writings wherein it has been admitted by themselves that they are unable to solve the question.

Moreover, I must entreat you to remark here the admitted deficiency of the matter asserted, and that this deficiency, too, is of a character identical with the deficiency, to which I have already called your attention on my examination of the scientific treatment of the question. I feel confident in making the assertion, that if the question had been under investigation by a court of inquiry, conducted by the strict method of reasoning which is observed in our courts of justice, the presiding judge would, at this stage, have felt it to be his duty to stop the case, on account of the matter advanced having assumed such a shape as precluded the possibility of deriving from it the result required.

The plea upon the face of the record is that of increase of capital, thereby insuring the result of greater employment. This is the right, and the only plea. Now, this plea is admitted, by the party which set it up, to be unsustainable, the only term which they have ventured to advance respecting it being that of "probably:" consequently, no matter is attempted to be substantiated in the body of the record, to fulfil the averment placed upon the face of it. And, as to the

last part of the proposition, or that of the "more beneficial employment," it will be apparent that this must be reduced to mere vacuity, whenever a failure to establish the proposition of the "greater employment," or that of increase, has occurred.

In order to obtain a nearer view of the operation of such a new arrangement or change of facts as that involved in the matter of the petition, I will suppose the case as appertaining to that place whose member originated the discussion in the House of Commons, of which I am now treating. I allude to the city of Coventry. Now, the people of this city derive their maintenance chiefly by the manufacture of ribbon. The merchants of London shall have ascertained that the ribbon made in France is cheaper, or of more enticing fabric, than that made at Coventry.—The avocation of merchants being that of searching after productions in all countries, and conveying them intercommunicably, their maxim, of course, is, to buy as often as possible in the cheapest markets, and to sell, as often as possible, in the dearest. Thus, their interests are not permanently identified with any particular state or country. Their capital or property being constituted for quick mutation, they prefer to have the widest scope possible for the operation of their ingenuity and enterprise. Thus, it cannot create surprise, knowing as we do, the general course of human action, that they should have asked permission to bring the ribbons of France, in order that the British wearers, or consumers of this beautiful fabric, should be tempted to desert the weavers of Coventry. When such a proposal is looked upon merely in a superficial manner, the objection arises, that such a course must not merely injure the people of Coventry, but absolutely deprive them of subsistence, and that it would be a measure of cruelty and extreme wickedness, to permit the wearing cheaper or more beautiful ribbons, to be viewed as of greater importance than the power of subsisting of a portion of our fellow-creatures.

Upon this, a rejoinder is made; which is, that, as the merchant must, of necessity, pay for the French ribbons by an article, or articles, of British manufacture, so, the injury done to the people of Coventry will be compensated for by this new demand, and the labor which had become undemanded by one means, will become demanded by another, and thus no injury result. Upon such an allegendement of the instantaneous creation of capital being advanced, both the members of the Government and Parliament were bound, as the chosen guardians and judges of the rights of all their countrymen, to have insisted on a clear and intelligible exposition of facts being rendered, or, at all events, to have required more solid matter to have been submitted to them, before they had given their assent to the change proposed. Had they pressed for demonstration or proof, the petitioners must have fallen back upon matter extant in the writings of political economists, whereon to have rested their case; and if this had been done, the course of action here put forth as theory, and so carelessly admitted, would have been subjected to a strict examination, and its falseness, in all probability, would have been detected.

Having commented thus on the state of the question, as between theory averred and its admis-

sion into practice, I will now call your attention to a remarkable instance of the practical operation of the great course of policy maintained by the petitioners, who have asserted that its tendency is that of bringing about the most beneficial state of things for all countries. I will beg of you to recur to an example which I have already brought before your notice—it is that of the destruction of the cotton trade in India. On referring to the description of that event, and contrasting it with the theoretical assurances of the petitioners, you will be presented with a remarkable example of the difference between facts in supposition and facts in realization. In the case adduced, the theory has been put into operation, consequently we are enabled to see and to decide upon its results. Now in this description no allusion whatever is made to the three portions of the proposition which were so unhesitatingly asserted, of the more beneficial, the greater, or even the equal, employment. The alluring facts of increased prosperity which had been predicted as the result, are entirely absent, and are wholly forgotten, while the description is—"Terrible are the accounts of the wretchedness of the poor Indian weavers, reduced to absolute starvation. Numbers of them died of hunger." And the emphatic words of the Governor-General of India are—"The present suffering to NUMEROUS CLASSES in India is scarcely to be paralleled in the history of commerce."

On the 18th April, 1826, Mr. Whitmore moved for an inquiry into the state of the Corn Laws, and the matter which this discussion presents is the most important of the whole. It is indeed complete, and contains a full and absolute renunciation of the celebrated petition with which the Minister, only a few months before, had been so desirous of connecting his general policy. The matter is as follows:

"If there be any great question, which more than another it is desirable not to agitate and set afloat in the country, unless you are thoroughly prepared, and think the time peculiarly adapted to its satisfactory adjustment, *it is this most momentous and most difficult question of the system of our Corn Laws*—momentous, because it concerns the subsistence, on the one hand, and on the other, the well-being and prosperity, of the most important class of that population—those who by right of property, or by their capitals and industry, are connected with, and dependent upon, the cultivation of the soil.

"Let no one attempt to deceive himself or others, as to the effect which any sudden alteration of that system must have upon the state of things which has grown out of it, and along with it. We must look, not only to the peculiar burthens affecting the land, but to all existing agreements—to leases and fixed incumbrances, to pecuniary contracts of every description.—For, Sir, I will venture to say, that if we were to make any rapid and material change, by which the situations of the persons liable to these engagements were to be greatly affected, not only should we do injustice to them, but we should greatly aggravate the difficulties under which OTHER CLASSES of the community now labor.

"In whatever light we may view the system

of our Corn Laws—whatever changes we may, after mature deliberation, think necessary, no rational man will deny that it is a system which, however adjusted, cannot exclude the consideration of price. Now the question of price necessarily connects itself with that of our monetary system; and after the shock which that system has undergone, with the examinations that are now pending, and when every thing connected with the elements of price and currency is in so feverish a state, will any man say that this is the best moment for entering upon a revision of our Corn Laws? In considering the object now before the House, it would be impossible to legislate wisely, unless the currency, in which are the soul and element of prices, should have been first disposed of; and this reason, not less forcibly than the others, convinces me that the present period is wholly unfitted for the discussion.

"I am the first to declare my conviction, that if from any circumstances the price of wheat were at this moment to be reduced materially below what it now is, there is nothing which could more contribute to aggravate the existing distress, and to take away the best chance of early relief.

"Sir, I say this advisedly. *I say that the present average price of wheat is one which could not, in my opinion, be materially lowered, without producing more of suffering than of relief, to all classes of the community. If the House could suddenly and materially reduce the prices of all the necessaries of life, so far from relieving, it would only aggravate the general distress, and postpone the hope of its termination.* In the actual state of the foreign markets, the stagnation of trade, and the difficulties which exist universally, the effect of an increased consumption produced by such means, would be worse than useless. And here I cannot help observing, that among the difficulties of this question, are the misconception of the consumers, on the one hand, and on the other the exaggerated fears of the growers of corn, when they compare the price of it in this country and in Poland.

"Before I sit down, Sir, I must say that some of the doctrines of my honorable friend on the subject of free trade are not quite just nor well founded. At least they are not doctrines which I have ever entertained; certainly they are very different from those which I have expressed in this House, and they are equally distinct from the principles upon which his Majesty's Government have been guided in their recent measures with reference to our foreign policy. *My honorable friend has argued the question of free trade, as if it were the absolute removal of all restrictions thrown in the way of the supply of foreign productions to the people of this country. Now this, Sir, is not my view of the question.*

The extracts which I have just made cannot be perused without exciting feelings of astonishment and regret. In the first place I must notice, as a matter of the highest importance, the different rule which Mr. Huskisson succeeded in establishing, as determining the judgement on the laws affecting the great agricultural production of corn, and that affecting other productions. In

a former part of my argument I have shown, that the method of proceeding by objection was allowed as valid, and was adopted by him in the following words:—" It appeared to him, that ' from the moment that the policy of our laws—' no matter how numerous or how long enacted—' was called in question, the onus of proving their ' necessity rested with those who undertook to ' maintain them."* Now with regard to the great question of the Corn Laws, he reverses the position, and instead of pleading that condemnation may precede proof, he pleads that proof should precede condemnation.

This, however, is not the only difference which exists, for it is evident that the policy upheld throughout the debate is wholly at variance with the great course of commercial action which this Minister contended for, when he entered upon a vindication of his measures respecting the altered state of the silk trade. The matter of the celebrated petition, with which he was so eager to identify his own views, is here entirely rejected.—He assures his audience, that the subject is momentous and difficult—thus implying that it is not understood; and then he entreats them to abandon all thoughts of change, until more knowledge of the circumstances connected with it shall have been acquired. Now it will be evident, that if such matter of argument had been solid and true, as affecting the great question under discussion, it would have been equally solid and true as affecting proposed changes in other commodities, for it is the GENERAL question which is mooted in both cases.

Another remarkable feature of this discussion is the attempt to bind up the question with the obscure one of the currency. He says, " it would be impossible to legislate wisely, unless the currency, in which are the soul and element of prices, should have been first disposed of." Now if the operation of the currency be so intimately blended with the question of the trade in corn, it must be intimately blended likewise with the trade in every other commodity, for the words " soul and element of prices" convey the most powerful and general signification, and so, by parity of reason, it must have been unwise to have legislated upon other and preceding questions, until this of the currency had been first disposed of. But I maintain that the assertion respecting the currency is altogether a fallacy. Instead of attempting to ascertain in the *first place* the law of the currency, the attempt should have been made to ascertain in the first place the law of the consumable production; for the consumable production is the constituent, and currency is its representative.—Now to profess to treat of the law of a representative, while it is admitted that the law of its constituent is incognate, is contrary to common sense. It is similar to the case of a man who should declare his intention of solving the sixth problem in mathematics, when he has been unable to solve either the fifth, fourth, or third. The first thing is to acquire a knowledge of the law of the constituent, and then out of this knowledge may flow a knowledge also of the law of the representative. To argue contrary to this order of things, would be to argue that an effect may precede its

cause. To involve, therefore, the question of the Corn Laws with the question of the currency, was leading the investigation further from the source of truth. The result of such a course would be to heap together error upon error, and its practical operation would be to insure that the truth of both subjects should for ever remain undiscovered.

Another point to be noticed is contained in the passage which follows immediately upon that relating to the currency. In this passage Mr. Huskisson declares his entire support of a system of Corn Laws, adapted especially for the purpose of protecting the home production against the effects of foreign competition. I do not think that any other form of words could render the opinion more clear or more complete. For it must be observed, that the reference is not merely to a particular price that wheat was then bearing in the markets of the country. The terms used are of the most general and comprehensive character, embracing all commodities; thus—" If the House ' could suddenly and materially reduce the prices ' of all the necessaries of life, so far from relieving, it would only augment the GENERAL distress, and postpone the hope of its termination."

The last point is contained in the matter at the conclusion of this remarkable speech. Mr. Huskisson here objects against the general tenor of his adversary's exposition of the doctrines of free trade. He then compresses the substance and sum of these doctrines into the following short sentence:—" My honorable friend has argued the question of free trade as if it were the absolute removal of all restrictions thrown in the way of the supply of foreign productions to the people of this country. Now this, Sir, is not my view of the question."

Upon recurring to the celebrated petition of the Merchants and Traders of London, the doctrines of which Mr. Huskisson adopted as his own, and admitted to be identical with those which had influenced the Government, I find that they are the same as those contended for by Mr. Whitmore, which are so briefly described by Mr. Huskisson himself, who, however, now declares that this is not his view of the question, and that these are not the principles by which his Majesty's Government has been guided with reference to foreign policy.

At the beginning of the Session following, and on 6th December, a discussion was raised by Mr. Hume on the question of the exportation of Machinery, upon which occasion a speech was delivered by Mr. Huskisson, containing matter the reverse of the free principle. " He appealed to the honorable member for Aberdeen, whether a question of immense importance could with propriety be discussed at a period when so many thousands of manufacturers were either out of work or but partially employed. If it could even be proved that the exportation of machinery would not be attended with any ill effects, still he was perfectly convinced that the agitation of this subject would alarm the manufacturers, and prevent them going on with their respective branches of manufacture. He assured the honorable gentleman, that if a Bill were to be introduced which had for its object

* Huskisson's Speeches, Vol. ii. p. 220.

the abolition of every restriction upon the exportation of machinery, it would be productive of serious alarm in the manufacturing districts, and would give rise to the presentation of numerous petitions from all parts of the country to that House.

"Where the machinery was one of modern improvement, and depended mainly upon the ingenuity and excellence of the mechanism, and where the raw material used was trifling, he felt that he owed it to the manufacturer to restrain, as far as he could, the exportation of such machinery. The mischief that would arise from altering the law respecting a general exportation of machinery, might be collected from this fact—that there were at the present moment many manufacturing establishments standing still on the Continent, under the expectation of obtaining machinery of a particular description from this country.

"Under these circumstances, then, and particularly in the present state of the manufacturing interests, he implored the honorable member not to agitate the question at present. He was ready to give any assistance in his power, either in his individual capacity, or as a member of a Committee, towards simplifying and more strictly defining the law; but he did not wish it to go forth to the public, that the whole law with regard to the exportation of machinery might be safely repealed."

The manner of treating the great question which has just been exhibited, is similar to the course which this statesman observed on the question of the Irish Linen Trade. His confidence in the free or competition principle is so weak, or rather, his conviction of its pernicious tendency is so strong, that he pleads strenuously for its action being arrested, on account of the vast number of persons already wanting employment, and, consequently, in great distress. Now, surely, if the free principle of commerce is calculated to induce such a good state of circumstances as that which is assigned to its operation by its general and leading advocates, the opportunity best suited for its extension is a period of suffering and distress. To argue as Mr. Huskisson has argued in the instance before us, is analogous to the ease of a physician who should recommend the withholding the administering of an acknowledged and most efficacious remedy, because his patient was suffering from acute disease.

On the 15th of May, 1827, Mr. Whitmore moved for a Select Committee on the state of the trade between Great Britain and India, on which occasion Mr. Huskisson argued for upholding the ancient constitutional principle of regulation, in order to prevent undue competition and confliction of interests. Thus the following course of argument is diametrically opposed to the free or competition principle:

"He admitted, with the honorable mover, that it was both the interest and the duty of a commercial country like this to endeavor to open new channels, and to afford increased facilities to those that were already open: but it was likewise its duty, while it gave encouragement to individual enterprise, and to new commercial speculation, to be cautious not to sanction any

measure which might endanger or destroy established interests and rising institutions; more especially institutions of our own creation, connected with our interests, and especially entitled to our protection.

"To proceed to the argument which had been so strongly urged by his honorable friend as to the application of the principles of free trade to, and the extension of our commercial interests with, India. In the application of those principles it was not necessary that he should now inform his honorable friend, the House, and the country, that, as far as they could be made beneficially applicable, he readily concurred; but it would be as readily conceded to him, that all extensive changes of this description were attended with great difficulty, and should be proceeded in with circumspection, and with due regard to other general interests already widely established; and that, therefore, whatever new measure or new systems were introduced, they should be regulated in such a manner as that, endeavoring to effect benefits for one class, they did not more than counterbalance the advantages, by inflicting an injury on some other.

"In another part of our dominions, in the West Indies, and long before, great wealth had been acquired and accumulated—large interests had been united, and British property to a considerable amount had been invested. Those interests it was our duty to attend to, and they had an equitable claim to our protection.

"Not that he differed from his honorable friend on any of the principles which he had advanced. So far from it, he was, as was well known, a warm advocate for the application of those principles, as extensively and as promptly as they could be applied, consistently with what was due to existing interests."

The last part of the discussion just quoted exhibits a remarkable example of the art of soothing. The Minister assures his opponent that he agrees in the principles advanced by him, and that he is a warm advocate for them, provided they be applied consistently with what is due to existing interests. Now these few words—consistently with what is due to existing interests—raise a formidable barrier, or open the entire subject matter in dispute between an advocate for the regulating and an advocate for the free principle.

In the early part of the Session of 1827 Mr. Huskisson was absent from Parliament, the reason assigned being ill health, and Mr. Canning brought forward a new Corn Bill. This, however, was not passed into a law, owing to an amendment by the Lords.

In the Session of 1828, the present Corn Law was made under the direction of the Duke of Wellington; and, although Mr. Huskisson did not take the most prominent part in the House of Commons with reference to the introduction and conducting of this Bill, yet he advocated strongly its principle, preferring it to that brought forward by Mr. Canning in the preceding Session, on account of its being calculated to give more efficient protection to home agriculture. The following important passages are from his speeches on this occasion:

"The scheme now proposed took the two ex-

tremes of the scale as it was formed for the last year, and proposed to enact such regulations as, at the price of 70*s.*, should let in wheat at a merely nominal duty, and, on the contrary, at the price of 60*s.* should pretty nearly prevent its admission altogether. That was an equitable arrangement, and one that would lead to no inconvenience."

"All parties, last year, had been agreed upon the mischief that would arise from permitting large importations of foreign wheat, when the price in the home market was between 60*s.* and 64*s.* The measure of the present year was calculated to check such importation; it was no deviation from the principle of the last year's Bill, or from the manner in which that Bill dealt with the subject; but it was so constructed as to defeat a possible course which, it was generally agreed, if put in execution, would prove inconvenient."

"The question now before the House was, not whether the price at which that scale had been fixed should be changed, but whether the protection thereby afforded was found to be a sufficient protection to the British corn-grower. In deciding that question, they should look at what had happened since the Bill of last year. They would find that a quantity of corn, amounting to 500,000 quarters, had been admitted into the market. Without adverting even to the circumstances under which this corn had been admitted, when they found that such a quantity as 500,000 quarters had been admitted in one month, *it must appear evident to them that the scale of duties proposed in the Bill of last year did not afford a sufficient protection to the agricultural interest*,—in fact, that protection which was contemplated by Mr. Canning, on the last occasion when his lamented friend addressed the House upon this subject."

"He acted upon the suggestion of his lamented friend, and, taking the test of experience for his guide, he felt himself bound to support an amendment of the bill of last session. The principle of Lord Liverpool, and that laid down by his right honorable friend last session was, that up to 60*s.* there should be a sufficient protection to the British corn-grower—that between 60*s.* and 64*s.* per quarter, foreign corn ought to be admitted. The principle, then, with regard to the scale of duties, was so to arrange it, that a sufficient check should be imposed upon the importation of foreign corn until the price of corn rose to 60*s.*; that between 60*s.* and 65*s.* its importation should be allowed, but subject to such a check as would prevent it from coming in such quantities as materially to affect the market; and when the price rose to 65*s.*, the object of the plan was to impose duties sufficient to prevent foreign corn from being imported in large and overwhelming quantities."

"He had applied the test of experience to the two scales, that of last year and the present one, and he preferred that which was now proposed. The scale under the present Bill was calculated to afford a better protection to the agriculturist. Though he, as well as others, had agreed to the measure of last year, he could not think it a safe one to continue, as it had not proved adequate to the intended object."

"He repeated, that he supported the present Bill because it would afford a more efficient protection. When the price of corn was from 60*s.* to 65*s.*, under the proposed duty, the importation of foreign corn would be checked; when the price was above 65*s.*, the corn from our colonies would come in free; and when the prices were higher, the duties would operate to prevent the importation of an overwhelming quantity of foreign corn. An honorable gentleman opposite had spoken in favor of a fixed duty. Abstractedly that might look well enough; but when they regarded the circumstances of the country, and the wants of the people, they would see the impossibility of adopting such a principle. If a high permanent duty were imposed, then, in periods of scarcity, the poor would be exposed to sufferings and miseries, the infliction of which no claims for protection on the part of the home corn-grower could ever justify. For the advantages, then, which the grower foregoes when corn is high, by the admission of foreign grain, he receives compensation by the imposition of a high rate of duties when corn is at a low price. He receives, in fact, only that remuneration to which he is justly entitled. When legislating upon this subject, they were bound to look to the different and varying circumstances of the country, and to the wants and necessities of its inhabitants. A permanent fixed duty was, therefore, out of the question. The principle of the present Bill was the same as that of the principle of the Bill of last year, and it afforded a more effectual protection to the British corn-grower."

February 4, 1830. On voting an Address on the King's speech, the causes of existing distress were brought under discussion, when, among other passages, there occurs the following:—

"In almost all branches of productive industry, the profits were so small as not to compensate for the amount of capital employed, or afford sufficient support to the individuals whose labor was required. *There must be some irregularity of action in our condition.*"

July 5, 1830. A discussion was raised on Mr. Littleton's moving to have leave to bring in the "Laborers' Wages Bill." The object of this Bill was to counteract a grievous oppression which had been practised in many districts. The cupidity of many master manufacturers had urged them to grasp, in addition to the profits of their own trade, the profits accruing from the sale to their laborers of the various articles which they consumed. This had been denominated the "Truck system," and, it is evident, was merely an extension of the "free" principle, or that of allowing each man to use his capital in the way which he found most beneficial to himself. Much dislike and opposition, however, had been shown against the system; and in Mr. Huskisson's speech on the occasion, there occur the following passages:—

"He would not weary the House with the details of the consequences of this system, as they had been described to him by competent judges; but any gentleman who would take the trouble to inform himself as to what was passing in Staffordshire, and in part of the cotton and clothing districts, would find, that a very great

portion of the distress now prevailing there, was not so much owing to want of employment, as to the undue and unfair competition to which the truck system gave rise, by making the whole trade a struggle between the avarice of the master, and the necessities and comforts of the workmen."

"Why should we not extend the same protection to those who had no friend to guide them, and who looked up to the Legislature as their shield against the extortion of those who regarded only their own advantage, and never thought of the sufferings and afflictions of those whom they employed?"

"It was upon these grounds, he was ready to acknowledge, that on the score of humanity and feeling, he gave his support to the Bill, and should do so, even though it were opposed to the doctrines of Political Economy; with which, however, he contended, it was perfectly consistent."

I have now finished an examination of the speeches of Mr. Huskisson, and the matter which I have extracted proves that he was, in a very great degree, favorable to a restrictive or regulating principle of commerce. So weighty indeed is the evidence which bears on this side, that although I admit that he argued for, and framed measures upon, a contrary principle, yet, I should be justified in claiming a preponderance of his evidence on the side of the former. But as in the construction of my second or affirmative argument, I shall proceed to work the question by demonstration or proof, consequently, I shall have no need of using matter which rests only upon the unsubstantial basis of mere opinion. I conclude, therefore, this part of my argument by submitting, that the least comprehensive conclusion which necessarily arises from the evidence put forth by this statesman is, that his authority is void.

It has been asserted, that during the latter part of his life, Mr. Huskisson retreated from the position which he had taken upon the great question of commercial policy, on account of party political opposition. It will be evident, however, that the precise nature of the influence under which he acted cannot now be ascertained by the public.

On viewing the whole course of his Parliamentary career, which is now matter of historical record, we discern sufficient to have created in the breast of this Minister anxiety and deep uneasiness. Occupying an elevated station in the counsels of his country, and placed in front of an advancing band of statesmen, with the way before him obscure and dark, he must have perceived what others who were behind him could not discern; and with a mind actuated by honorable motives, and influenced by a love of country, it might well be pardoned, even if it were true, that he voluntarily quitted an arduous and a dangerous position. If the erroneous course which he had pursued had been rendered evident to him by reason of his having acquired a perfect knowledge of the subject, then, indeed, it would have been his duty to have remained at his post resolute and unmoved: to have declared boldly to his country and to opposing advocates, that the policy recently adopted was wrong, and to

have challenged a close intellectual conflict. But although he may have discerned error, yet he had not discerned truth; and if he had ventured with insufficient knowledge on such a conflict as that to which I have just alluded, he must very soon have sunk discomfited in a contest so unequally maintained.

On attempting then to account for changes that occurred in the administrative movements of this statesman, we need not have recourse to any such cause as that of party political opposition. The great combination of public circumstances, amidst which he was a prominent actor, furnish ample evidence to prove that a renunciation of policy was an act which his duty to his country rendered it imperative upon him to perform.

ARGUMENT FIRST.

PART IV.

As it is my object in the present argument to show that the system which has embodied the free principle of commerce is false, and as I shall have hereafter to establish another principle in opposition to the free, it is desirable, in order to detect falsehood and to discern truth, that both should be subjected to a test, the nature of which is, of all others, the highest and most important, and which in the preceding course of investigation, has come under observation only incidentally. I allude to the moral nature of the question.

Most writers on Political Economy having got their minds distracted by a multiplicity of facts and a contrariety of argument, have not been able so to emerge from the disorder which encompassed them as to keep in view, MORAL, as necessarily preceding and directing, physical, agency.

It was to have been expected that Paley would have afforded an exception, but I have to record his example also in confirmation of the truth of the remark. In his celebrated work, "The principles of Moral and Political Philosophy" he has entered upon a disquisition of this branch of science. The 11th chapter of the 4th book of this work is devoted to the subjects, Population and Commerce, and the entire matter which it contains, cannot be characterized otherwise than as a series of clever conjectures; for no part of it can be held forth as an example of consecutive reasoning.

It is remarkable that this author, like other writers whose works I have brought under examination, when he arrived at the more complicated and difficult part of the science, where he was imperatively called upon to check the speed of his declamation, and to proceed slowly and cautiously in order to work out a demonstration, has had recourse to an evasion of the subject. Thus, at page 358 is the following passage:—

"It appears, then, that luxury, considered with a view to population, acts by two opposite effects; and it seems probable that there exists a point in the scale, to which luxury may ascend, or to which the wants of mankind may be multiplied with advantage to the community, and beyond which the prejudicial consequences begin to preponderate. The determination of this point, though it assume the form of an arithmetical problem, depends upon circumstances too numerous, intricate, and undefined, to admit of a precise solution."

Again, at page 360, there occurs the following vague and most extraordinary proposition:—“The condition most favorable to population is that of a laborious, frugal people, ministering to the demands of an opulent, luxurious nation; because this situation, whilst it leaves them every advantage of luxury, exempts them from the evils which naturally accompany its admission into any country.”

Malthus has adverted to the above passage in the 13th chapter and 4th book of his “Essay on Population.” He says of it—“Such a form of society, has not, it must be confessed, an inviting aspect. Nothing but the conviction of its being absolutely necessary could reconcile us to the idea of ten millions of people condemned to incessant toil, and to the privation of every thing but absolute necessities, in order to minister to the excessive luxuries of the other million.” The latter part of the first quotation from Paley, shows the insubstantial foundation on which the “absolute necessity” of these writers rests.

Malthus has also added in a note, that, from a passage in Paley’s work on “Natural Theology,” he is inclined to think that subsequent reflection induced him to modify some of his former opinions on the subject.

On reverting to the ethical, as connected with the physical portion of the subject, I find that Mr. McCulloch has made considerable progress in its development; and it is to be observed of his writings, that issues are sometimes adhered to with strictness. On such occasions, if he does not define truly, he nevertheless argues logically. Having admitted a principle, he marks well its corollaries, and adopts without hesitation its legitimate conclusions, of whatever character they may be.

With regard, then, to the principle of moral action, as called forth by the theory of unregulated or free commerce, which is the theory propounded by most modern writers, it has been described in more than one part of the preceding examination. It has its origin in *self-will*. This passion is declared to be the right source or true principle of motion. This being admitted, it follows, that the greater the impulse given by this power to the numerous divisions and subdivisions of labor, the more ample will be the development of the material things which have been ordained to conduce to the temporal well-being of mankind. Thus are connected, as cause and effect, the selfish and the social, or good springing out of evil. I beg to direct your attention, in the next place, to the issues of this theory: having shown its first principle or origin, I will now try it by its opposite extremity, or the end to which it has conducted.

In the 1st Part and the 6th Chapter, p. 179, of the “Principles of Political Economy,” by Mr. McCulloch, there is the following passage:—

“Thus, then, we arrive by a different and more lengthened route, at the same result I have already endeavored to establish—the inextinguishable passion for gain—the ‘auri sacra fames’—will always lead capitalists to employ their stocks in such branches of industry as yield, all things considered, the highest rate of profit. And it is clear to demonstration, that those which yield this highest rate, are those in which it is most

for the public interest that capital should be invested.”

Again, in the 7th Chapter of the same work, p. 191, there occurs the following passage, which though brief in words, is boundless in signification:—

“There are no limits to the passion for accumulation:

“*Nec Crassi fortuna unquam nec Persica regna
Sufficiunt animo.*”—

The fullest development, however, of the issues of this theory occurs in the 4th Part of this work, at page 517. It runs thus:—

“It was long a prevalent opinion among moralists, that the consumption, and consequently the production, of luxuries, was unprofitable and disadvantageous. If a man wished to get rich, his object, it was said, ought not to be to increase his fortune but to lessen his wants. “Si quem volueris esse divitiae,” says Seneca, “non est quod augeas divitias, sed minuas cupiditates.” Had these opinions ever obtained any considerable influence, they would have formed an insuperable obstacle to all improvement. Those who are contented with the situation in which they are placed, are without any motive to aspire at any thing better; and hence it is to the absence of this feeling of contentment, and the existence of that which is directly opposed to it—to the desire to rise in the world—to improve our condition, and to obtain a constantly increasing command over the conveniences and luxuries of life, that society is indebted for every improvement. It is not a matter of blame, but of praise, that individuals strive to attain to superior wealth and distinction, that they scruple not,

“Contendere nobilitate
Noctes atque dies, niti præstante labore
Ad summam emere opes, rerumque potiri.”

Ambition to rise is censurable only when, in order to forward our object, we resort to means injurious to the welfare of others. So long as we depend for success on the fair exercise of our talents and industry, it is deserving of every commendation. Until it has been excited, no progress can be made in civilization; and the more powerful it becomes, the more rapid will be the accumulation of wealth, and the more prosperous will every individual be rendered.”

The doctrine here delivered is enveloped, indeed, in a beautiful method of description, and promulgated under terms which flatter the eager propensities of human passion. But when the pause for reflection is made, this great and important question arises—Who, under this system, would be the best citizen? Who would contribute in the highest degree to fulfil the intention of his Creator? After a steady contemplation, and a little unveiling, the mystery stands disclosed. It is the slave of the passion of avarice—the miser. He it is who acquires, by dint of toiling, during the “noctes atque dies;” and, moreover, whatever he acquires he accumulates or *puts into heaps*. He alone, therefore, fulfils the law of the system to perfectness, by yielding implicit obedience to its principle, from its origin to its end, that is, throughout its entire course.

Thus it appears, that when the “free” system of commercial intercourse is subjected to the

highest of all tests, that of the spiritual and moral, its principle is found to be diametrically opposed to the imperative adjuncts of the Christian law, or the will and mind of God.

It must excite surprise, that it should not have occurred to Adam Smith to apply the test of morality to the system to which he has given his adhesion, more particularly when his holding the high rank of a Professor of Moral Philosophy is considered. If his mind had been led to try the great arrangement of facts of which he has treated, by that test which is alone sure and exalted, the darkness in which he was involved would have been dispelled, and he would have discerned the erroneous nature of his conclusions; and, on retracing and examining the entire course of his investigations, he would have abandoned the greater part of his inductions, and then the world would never have heard of the work so miscalled "The Wealth of Nations;" and possibly another work might have been presented, which would have been justly entitled to a character so comprehensive and captivating.

It will be my duty hereafter to trace out the truth of the science under the guidance of a spiritual and moral principle, the opposite of that by which the "free" writers have been led.

ARGUMENT FIRST.

PART V.

HAVING now adduced so much matter, both of a scientific and practical character, as appears to me sufficient, I abstain from loading this part of my case with needless repetitions, by adducing corroboratory evidence collected from the writings of other authors. I do not think myself justified, however, in bringing it to a conclusion, without commenting on a very important principle—the *inadmissibility of proof*—which many modern writers have attempted to introduce into the treatment of the subject. I beg to express an opinion that a principle so inimical to all strict argument—so calculated to render insecure the foundation of all investigation—and therefore in itself so entirely pernicious, should not be permitted to hold a place amidst the researches of the human mind. Upon referring to the passage in the work of Mr. McCulloch, wherein this principle is introduced, the impropriety of the proposition is easily detected. It stands thus:—"It is quite obvious that it admits of no satisfactory solution." Now if this proposition be taken from beneath the ambiguity of language in which it is expressed, and exhibited in its true form, it will stand thus:—It is quite obvious that it cannot be made obvious; which is instantly perceived to be a nullity. How is it possible to prove that a thing is *not to be proved*? And if it is not proved, it cannot be quite obvious. Again, the author writes, it does not admit of a *satisfactory* solution. His solution, therefore, must be unsatisfactory. Now, how can it be said with propriety that a solution is either *satisfactory* or *unsatisfactory*? The word *solution* implies a *complete* or *perfect* process. If *unsatisfactory*, it cannot be a solution; and if it be a solution, the word *satisfactory* is a needless adjunctive. Again, the principle of right conclusions, or truth, must necessarily exist, and there-

fore is within the possibility of being found. The subject itself can have no natural alliance with any such principle as that of the inadmissibility of proof; for all its constituents, being formed of unintelligent matter, are consequently open and submissive to every mode of separation and investigation, whereby they may be made to subserve the laws of arrangement, order, and truth. The inadmissibility, then, will be found to arise out of another cause, namely, the imperfection of the instrument by which the matter is examined, that is, the human mind; for not being able to discover the laws in subserviency to which the many modifications of material things by the instrumentality of human labor may be most beneficially brought about, it cannot open for itself a way into the desired region, and, consequently, is incapable of evolving truth.

Aguin: when a writer finds himself placed in such a position with his subject, as that he is reduced to the necessity of admitting that he cannot acquire a mastery of the main argument, and, consequently, if he proceed at all he must be content to try the question merely by means of a collateral issue; the process of conducting an investigation upon this principle is well understood by those whose minds are conversant with the consideration of intricate and difficult subjects. The proper and sensible course to pursue in such a case is, to admit at once that the truth of the main argument is at present unevolved, and then, if a conclusion is to be drawn at all, that it must be arrived at merely under the guidance of a balance of evidence; and if it be decided to act on a conclusion so insufficiently sustained, the self-evident duty will be to advance cautiously, and to watch diligently, in order to ascertain whether or not the effect produced by the adopted cause be accordant with that which was predicated as to it; and in the mean time to keep the mind diligently occupied upon a further investigation of the subject, so that by degrees error may be dispelled, and at last the entire truth disclosed.

As the principle to which allusion has just been made is of very great importance, and requires to be carefully observed by all who undertake to treat of the science, it appears to me desirable that it should receive, in this place, the most ample illustration.

We perceive, by the series of facts and of arguments which have been brought under notice, that no writer on the science has acquired the power of reducing its matter to a state of accurate definition or demonstration. This being the admitted fact, it is incumbent on those who argue amidst such deficient light, to select some point in advance of their knowledge which shall receive universal assent, or be a ruled point, and then to urge for practice the setting up of this point as a beacon or guide, in order that fact may be preserved as much as possible from participating in the error which an uncertain state of theory is calculated to induce. The question then arises—Is there any such point? Undoubtedly there is, and I proceed to show it.

It will be conceded that the thing required is Capital. It must be conceded likewise, that the formation or the increase of capital is known under the denominative term, Profit. The thing, therefore, argued for in theory and aimed at in

practice, is profit, taken, of course, in its most extensive and general sense; and in order to show concurrence in this proposition, I will adduce the following passages from the writings of Adam Smith, Malthus, and M'Culloch:—

"The demand for those who live by wages necessarily increases with the increase of the revenue and stock of every country, and cannot possibly increase without it. The increase of revenue and stock is the increase of national wealth. The demand for those who live by wages, therefore, naturally increases with the increase of national wealth, and cannot possibly increase without it. It is not the actual greatness of national wealth, but its *continual increase*, which occasions a rise in the wages of labor. It is not accordingly in the richest countries, but in the most thriving, or in those which are growing rich the fastest, that the wages of labor are highest."—Wealth of Nations, Book I. Chap. 8.

"Though it may be impossible to determine with any degree of precision what are or were the average profits of stock either in the present or ancient times, some notion may be formed of them from the interest of money. It may be laid down as a maxim, that wherever a great deal can be made by the use of money, a great deal will commonly be given for the use of it; and wherever little can be made by it, less will commonly be given for it. Accordingly, therefore, as the usual market rate of interest varies in any country, we may be assured that the ordinary profits of stock must vary with it—must sink as it sinks, and rise as it rises. The progress of interest, therefore, may lead us to form some notion of the progress of profit."—Wealth of Nations, Book I. Chap. 9.

"What is now wanted in this country is, an increased national revenue, an increase in the exchangeable value of the whole produce estimated in bullion, and in the command of this bullion over labor. When we have attained this, which can only be attained by increased and steady profits, we may then begin again to accumulate, and our accumulation will then be effectual."—Malthus' Principles of Political Economy, Sec. 10. p. 424.

"It is so constituted that, in the vast majority of cases, more wealth or produce is obtained through the agency of a given quantity of labor than is required to enable it to be performed.—This surplus, or excess of produce, has been denominated Profit; and it is from it that all capital has been derived."

"Seeing, therefore, that capital is formed out of the excess of the produce realized by those who engage in industrious undertakings over and above the produce necessarily expended in carrying it on, it plainly follows that the means of amassing capital will be greatest where this excess is the greatest; or, in other words, that they will be the greatest where the rate of profit is the greatest. This is so obvious a proposition as hardly to require illustration."—M'Culloch's Principles, p. 107.

"Wherever profits are high, capital is rapidly augmented, and there is a comparatively rapid increase of wealth and population; but, on the other hand, wherever profits are low, the means

of employing additional labor are comparatively limited, and the progress of society rendered so much the slower. It is not therefore by the absolute amount of its capital, but by its power of employing that capital with advantage, a power which, in all ordinary cases is correctly measured by the common and average rate of profit, that the capacity of any country to increase in wealth and population is to be estimated."—M'Culloch's Principles, p. 109.

"It is always to this standard—to the high or low rate of profit which they yield—that every individual refers in judging of the comparative benefits of different undertakings;—and what is true of individuals, must be true of states."—M'Culloch's Principles, p. 111.

"No certain conclusion respecting the prosperity of any country can ever be drawn from the magnitude of its commerce or revenue, or the state of its agriculture or manufactures. Every branch of industry is liable to be affected by secondary or accidental causes. They are always in a state of flux or reflux; and some of them are frequently seen to flourish when others are very much depressed. The *average rate of profit is the best barometer—the best criterion of national prosperity*. A rise of profits is, speaking generally, the effect of industry having become more productive; and it shows that the power of the society to amass capital and to add to its wealth and population, has been increased, and its progress accelerated: a fall of profits, on the contrary, is the effect of industry having become less productive, and shows that the power to amass capital has been diminished, and the progress of society has been clogged and impeded. However much a particular, and it may be an important, branch of industry is depressed, still if the average rate of profit be high, we may be assured that the depression cannot continue, and that the condition of the country is really prosperous. On the other hand, though there should be no distress in any particular branch—though agriculture, manufactures, and commerce, should be carried to a greater extent than they have ever been carried before, though a nation should have numerous, powerful, and well appointed armies and fleets, and though the style of living among the higher classes should be more than ordinarily sumptuous—still if the rate of profit have become comparatively low, we may pretty confidently affirm that the condition of such a nation, however prosperous in appearance, is bad and unsound at bottom; that the plague of poverty is secretly creeping on the mass of her citizens; that the foundations of her power and greatness have been shaken; and that her decline may be anticipated, unless measures be devised for relieving the pressure on the national resources by adding to the productivity of industry, and consequently, to the rate of profit."—M'Culloch's Principles, p. 111.

Sufficient has now been adduced to show that profit and that profit alone—from being an end to which all effort in practice is directed—is the point or feature of the subject which may be selected and adopted as a guide or beacon.

This being settled, and seeing then that the way to this end has only been partially defined, and, consequently that the subject can be argued

only by means of a collateral issue so long as this ignorance respecting it continues—it is the duty of those who advocate changes, to set down the thing they predicate as the result of the change. A new course of action being resolved upon, and the thing predicated respecting it being an increase of profit, it then becomes a duty to watch whether the course pursued is leading to the point set up. If it be discerned that the thing predicated is in course of being realized, it would follow that the principle set in motion is true; on the contrary, if it be discerned that the thing predicated is not in course of being realized, it would follow that the principle set in motion is false.

Such, I contend, according to the rules of philosophical arguing, is the only course which was open for writers upon this great subject to pursue; and this course they ought to have urged most strenuously upon the observance of statesmen; but in the place of being guided by this commendable spirit of candor and true philosophy, the writers who have introduced the principle of the *inadmissibility of proof*, having ventured a certain way amidst the intricacies of the science, and finding their minds bewildered, and the course of their inquiry impeded by difficulties which they could not surmount, have then attempted to arrest the progress of all inquiry in advance of their own, by presuming to declare that the subject does not admit of demonstration; and having raised this obstruction as against the advancing of others, they then claim to have the character of truth awarded to the results of their own investigations. It follows, therefore, that the introduction of the principle against which I have now protested, can be viewed in no better character than that of intentionally placing a barrier across the path of knowledge. It would, assuredly, evince a far greater degree of wisdom, to remain contented to be led merely by the light which experience affords, and not to inquire at all, than to inquire under the trammels and the inevitable misguidance of such a principle.

I now submit to you that the declared object of this, my first argument, is accomplished. For, whichever of the important questions, that it is the object of your Commission to resolve, be selected, whether it be that of the effects of restrictions on foreign commerce; whether it be the substitution of one kind of manufacture for another; whether it be the substitution of mechanical power for manual labor; whether it be the laws affecting the importation of corn; whether it be the intricate question of the currency; or, whether it be that of the increase of the number of the people without a corresponding increase in the demand for their labor; it has been shown that the evidence hitherto presented to the public mind is insufficient to establish its truth. I find, indeed, that many simple principles have been ably and fully argued by some of the writers whose works I have brought under examination, and much valuable information thus educed; but I submit to you, that simple principles, however correctly laid down, are of utility only in so far as they are carried on, and so worked together under the constantly regulating operation of a true GENERAL principle, as that, by such united means, we are empowered in the end either to construct,

or to solve a compound proposition; for it is of such that every practical question of Political Economy must of necessity consist.

On concluding this argument, I beg to assure you that I am deeply impressed by the great responsibility that attaches to me, on account of the work I have undertaken to perform. I am fully aware of the vastness of the interests which, on this occasion, I am directly called upon to support; and I am aware also in what manner the interests of my countrymen in general, as well as those of every other people with whom we are associated by commercial dealing, are, in their variety of degree, bound up with the interest and welfare of the great body of the people, which your inquiry embraces. I know, moreover, that if any course of action should emanate from the proceedings of this Commission, other than that which shall derive its origin from a principle of truth, the effect of such course of action must be an injurious operation upon the public circumstances; and, hence, an aggravation of the distress which is sought to be alleviated. With my mind impressed by these convictions, it would create in me deep and lasting regret, if I had treated the arguments which other men have thought proper to put forth, lightly or superficially, or in any other way than that which the nature of them rendered necessary. If, hereafter, it should appear that benefit is likely to accrue from a more extended examination of the works which I have brought under notice, or from the examination of any other works, I shall be prepared and willing to enter upon it in a manner the most minute and careful; for I should esteem nolabor either encrrous or superfluous, the object and end of which should be a rejection from the writings of men of all that is false on the one side, and a selection of all that is true and valuable on the other, respecting the great and interesting questions which form the subject of our consideration.

ARGUMENT SECOND.

Method—Synthetical. Proposition—Affirmative.

PART I.

UPON reviewing the numerous and important subjects which have been set forth at the head of my first argument, as being the object of your Commission to investigate, it is evident that they embrace the laws on which an all-wise and benevolent Creator has ordained, that the general condition of mankind shall depend. The end affirmed of my present argument is, that it affords an elucidation of these laws. Its nature, therefore, is constructive.

When the mind is led, in the first instance, to reflect upon the originally destitute condition of man, and upon his procreative, active, and intelligent nature; and in the next, upon the *passive* nature of the matter which the world presents for his use, it perceives that the physical portion of the subject here undertaken to be treated of, consists of a constantly progressive series of things. Now, of such a series, there must, of necessity, have been an origin, and this origin must have existed, or been concentrated, in a principle of unity. It will be necessary there-

fore to treat, in the first place, of this origin or unity, in order that its true nature having been examined, explained, and proved, the issues or deductions which form the series of things, may be correctly carried on throughout the numerous changes and appropriations of matter, which constitute the development.

Man is placed upon the earth by his Creator, without anything in possession, but with a capacity to procure an unlimited variety. His labor is the means,—the earth is the object upon which it is to be exerted. With the great and exalted power of providing or creating matter he has nothing to do. The sphere assigned for his exertion is that of acting upon, or modifying, the matter given. He is free within a wide circle; but the bounds of that circle he cannot pass.

The first thing necessary to him is food, for without that he must perish. His first care, therefore, is to procure it. It is evident that if God had not so arranged, that matter adapted to appease hunger and to sustain life had been of easy and quick acquirement, the preservation of the race of man never could have taken place. For there must, of necessity, be a limited space of time, during which man can live without food; I will suppose, for the purpose of establishing the argument, that the space of time is twenty hours. Now, in this case, it would be necessary that food be acquired *within* this limit. If the power of acquiring it should be placed beyond, or extended to the period of twenty-one hours, life must become extinct. The fact, however, of the preservation of the species shows, that the matter adapted for sustaining life, though it may have been scanty at first, nevertheless must have been sufficient for the purpose, and ordained not only to exist and to precede life itself, but also to be capable of being acquired within a given space of time.

If, in the state of things just described, man should be able to procure only sufficient food for his *own* want, his species could not increase. This, however, is not the case, as his toil is rewarded with more than is sufficient for his own sustenance, by which means he is enabled to administer to the wants of others. By continued application to the same sources, he soon procures even more than is sufficient for his own family, and thus a store is collected, by which he acquires the power of commencing an exchange, that is, traffic or barter. But as this first step from the simple state of animal, to the complex state of social existence, is a most important advance, the state of facts which constitute its law, requires to be very carefully and closely traced.

From what has now been advanced, this first and important proposition may be deduced, namely, that an increase of means must precede* an increase of the species; and in order to obtain and keep in view a right notion of the welfare of any society of people, and, by parity of reasoning, of all mankind, this proposition must never be lost

* I desire to lay particular stress upon the proposition establishing the law of Precedence, because, although it has been noticed and admitted by most writers on the science, yet when they have got amidst intricate calculations, they have in every instance neglected it, and hence is to be traced the latrocinium of a great portion of the false matter which at present exists in the state of the science. I shall have to advert to it more particularly hereafter.

sight of. We know by experience that the tendency of man's nature is constantly to increase its species, and we know by our reason that this increase of species should be preceded by a constant increase of the means of supporting it.

The necessity that the means of sustaining life should be in a state of constant precedence having been shown, the question arises—How is this end to be accomplished? It has been seen that the first step toward it is, that one man procures from the earth more food than is sufficient to satisfy his own wants, and those of his family, and is thus enabled to offer to another man a portion of his own superabundant food, for anything that the other may be able to procure. Now here is introduced a second party, and it will be obvious that no exchange of anything can take place without there being two parties; for to suppose the case of a man exchanging anything with himself is an absurd idea. With regard then to the second person now introduced, it will be obvious that he has been under the same law of necessity as the first, namely, that of being urged by his want to search for and procure food in the first instance. Thus it necessarily follows that the superabundant store of the one, must be identical with the superabundant store of the other, that is, both stores must consist of food.

Here then is exposed to view the origin of a state of things which is destined to exert a most powerful influence throughout the succeeding series. Here is seen the principle of supply in its simple state, not having received any social adaptation. The thing supplied is in excess. Both parties have acquired more than is sufficient for their present want. It is supply, without the presence of any other production to invite an exchange, that is, to create demand. The production itself has been shown to be of the utmost importance, and indeed so essential, that without it life would become extinct, yet in the present state of excess it cannot be rendered available as a matter of exchange. It can therefore acquire no value.

Now, before the fact of exchange takes place, which, it will be seen, must introduce the principle of the social acquisition of property, it is desirable to view clearly the case of the two parties here adduced—A and B. Neither of them enjoy a priority of right the one over the other. There is no title from a superior power investing the one, and leaving the other uninvested. Both have equal and unrestricted access to the matter of the world, and both have labored upon it for the same purpose, and both have acquired from it the same kind of production. It is necessary to consider now in what way the important advance may be made. A discerns that the food of B is sufficient both for B and himself too; and B discerns the same fact with regard to the food in possession of A. It follows, therefore, that the labor of one is capable of procuring, as far as food is concerned, sufficient to satisfy the want of both. The step then should be, that a division or distinct direction of labor take place, or be agreed upon. B ceases to labor for food, and relying fit upon the exertions of A, commences acquiring another production, such as an article of clothing, for this would naturally come next in order to food. The attempt is successful, and B acquires an article of

clothing for himself, as also for A: Thus the superabundant food, or store of A, acquires value, on account of the demand made by B; and the superabundant production of B, that is, clothing, derives value, on account of the demand made by A.

An objection may perhaps be urged against the course of argument just advanced, by the plea, that an exchange would not take place at so early a stage as that which I have supposed. It may be asserted, in opposition, that when A found his power of procuring sustenance increasing, and as he thus became possessed of more food than would satisfy his immediate want, that he would then direct his own labor to the acquisition of another commodity; and, moreover, that when his second effort had been followed by a result as successful as his first, he would then have made a still further advance *himself*, and have procured a third kind of production, and so have continued unconnected by any act of exchange for a considerable space of time, during which he would be both producer and consumer of the articles procured by his own labor. The like also with regard to B, and that an exchange would not take place until a much more considerable advance had been made, than that wherefrom I have wrought out my method of exemplification.

It will be seen, however, that the object of my argument is to establish a principle of exchange, which I shall have to contend is not only a principle but the principle, enduring throughout an unlimited series of changes, being as strong and as binding in any instance, however remote, as it is in the first. Now, in order to do this, all which is required is, to keep to the true operation of matter of fact, so as by means of it, to establish the agency of cause, and to mark its issues or effect. This being regarded, the more simple the matter of example, the more suited to the purpose. Because the truth is not exemplified at an early stage it cannot be argued hence, that it is not the truth. The principle must be the same, at whatever point or stage of action, the operation of facts may call it into existence. Hence I contend that the objection acquires no bearing, and that my proposition of illustration is sound.

From the minute beginning or germ of a social compact now constructed, we discern, that what is required on the part of man is labor. The reward or fruit of his labor becoming larger than is necessary for himself, a portion of it is proffered to another man. The same thing has occurred also with regard to this other man. The consequence is, a relinquishment on the part of one of an occupation which can be performed by the agency of one, as efficiently as it can be by the agency of two, and the adoption in its place of a second employment, whereby each directs his labor towards increasing the enjoyment of himself and the other, thus constituting a social union or compact. Here it must be especially observed, that the interest of A is placed in the keeping of B, and the interest of B in the keeping of A; for the giving up in part a reliance upon themselves, has been induced by the trust that one exposes in the other. Now, it is apparent, upon the face of this state of things, that there is the utmost necessity for the supervening of a moral law of action. If the condition of man had been or-

dained merely similar to that of brutes, each supplying his own want, aided only by his instinctive and physical power, and never entering into a state of mutual assistance or compact, no moral law need supervene; but the first step into a social state introduces dependence; distinct from, and in addition to, that general dependence which we have upon God, as the one bountiful provider of all matter. Thus we have God as the first cause, the creator both of the spiritual and the material, man a second cause, or a spiritual and intelligent agent intrusted with the regulation, distribution, and appropriation of the unintelligent material.

The dependence, then, which has been shown in the case before us,—that of A depending upon B, and B depending upon A, involves a necessity for the introduction of a moral law, which shall influence or regulate the principle of action; that principle is the will, towards a right use or application of the matter which is subject to its control. God having ordained that all things, whether necessary, convenient, or luxurious, shall be procured by the sole instrumentality of labor, aided and improved by the assistance which man may render to man by the divided operation of labor, it must be allowed, that to such a physical development, the same all-wise and perfect Being would affix a moral law compatible with the attributes of his own nature. To suppose otherwise, would be to infer that God has ordained an imperfect or immoral law as necessary to guide the practice of man, which would be arraigning or depreciating his attribute of goodness, and placing him in alliance with evil, or declaring him to be the cause of evil. The course which my argument will take hereafter, will be in connexion with a moral law: showing, in every instance, that good moral action being a cause, good physical state will be the result; bad moral action a cause,—bad physical state an effect. It will be evident here, that the introduction of a second or parallel law into any scientific research, must form a most valuable adjunct; for, whenever any matter arises calculated to perplex or mislead the understanding, a reference to the adjunctive rule will be the ready test, whereby it may be ascertained, whether or not the deduction or conclusion be correctly worked.

It is desirable here to review the points already advanced. They are as follow: Man an active, intelligent, though destitute being. His sphere the earth; its matter passive or dormant, though capable of being wrought or moulded into an infinite variety of forms adapted to his use. Labor the sole instrument. Food the first thing required and procured, and this ordained to precede or be in advance. A superabundant acquisition or supply of the first want, or food, incites to a division, or a different application of labor, whereby a second want, clothing, is supplied: a portion of which being proffered in exchange for a portion of food, the great principle of value in exchange springs up caused by demand. Thus two parties, A and B, are in union with, or dependence on, one another. This dependence brings into operation a moral law.

Such being the state of my case at present, I will now carry out my argument a little further. In order to do this, I will conclude that observa-

tion and practice have improved the knowledge and expertness both of A and B, the consequence of which is, that they make further advances in their respective employments, and acquire a larger store. This enables a third division to be effected by means of C, the offspring of A, who labors separately for materials to build a habitation, and in exchange for his surplus production of rude timber, receives a portion of the food acquired by his parent A, and of the clothing acquired by B. Again, D, the offspring of B, labors to procure fuel, and in like manner is supported in his undertaking by the conjoined demand made by A, B, and C. Thus we have four distinct parties, A, B, C, and D, and also four distinct commodities produced or brought together for exchange, each party concerned in the labor of acquiring, deriving benefit from the employment of the others, as well as that of himself. Thus A earns food for himself, but depends upon B for his clothing, upon C for his materials for making his dwelling, and upon D for his fuel. B procures clothing for himself, but depends upon A for his food, upon C for his materials for making his dwelling, and upon D for his fuel. C procures material for making his dwelling for himself, but depends upon A for his food, upon B for his clothing, and upon D for his fuel. D procures fuel for himself, but depends upon A for his food, upon B for his clothing, and upon C for material for making a dwelling.

Here, then, is shown to exist, though in an infant state, a community with its capital. The aggregate of persons forming the community, the aggregate of consumable or exchangeable productions forming the Capital.* Such are the sources of the temporal well-being of mankind, and whether we regard them as 2 or 2,000,000, 4 or 4,000,000, 8 or 8,000,000, or indeed as any number whatever, I propose to show that the great general principle, that is, the principle of motion or advance, must of necessity be and continue the same.

The inference deducible from the matter of fact now advanced is, that in order to ensure the physical well-being of a community, it is necessary that Capital should be constantly increasing, and also that this increase should be adequate to an ascertained degree or portion. This degree is indicated by another, that is, the degree of the increase of the people who are to be maintained by means of this capital. It will be obvious, that no regard need be paid to this degree on the side of extension or largeness, as on this side error cannot enter. The limitation to be looked to and guarded against, is that on the side of contraction or diminution. The object, therefore, which every reasoner on the science of social economy has to keep in view is this—that Capital, as compared with population, be not permitted to decline to a lower proportionate level, but that the increase of the one be kept at the least, equal with the increase of the other. The subject, therefore, as I have stated in my first argument, resolves itself in a law of comparative proportionate progression;

it may be compared to two streams, which, having their rise almost close to each other, continue to flow in parallel courses. The one having the start or the precedence of the other, it is evidently necessary, in order that its superiority of size be maintained, that the proportion existing at the outset be preserved throughout every succeeding course.

There can be no difference of opinion, therefore, respecting the postulate of the problem which is to be solved. All will agree that this postulate or object is, that the aggregate of capital be kept in advance of the aggregate of population which is to be sustained by it. Thus let the capital of a community be represented by the number 1000, and the population of the same community be represented by the same number. Now, if population increase to 1100, and capital only to 1050, the proportion is changed, and the state of the community deteriorated. For, it will be obvious, that one of two things must happen in this case, either some of the community must be altogether unsupported, or, if supported, they must derive the means of support by participating in the possession, that is, encroaching on the enjoyments of other members; but in either case, the circumstances of the community will have received detriment. The postulate, therefore, I shall take as a settled or ruled point; consequently, the matter for deliberation and decision is, the way or means by which the object may be attained, including the important end of distribution, or the general participation and enjoyment of the fruit of labor or capital.

It will be seen that in the foundation of the argument which I have now constructed, no other principle of change has been admitted, but that issuing out of conjunction or co-action. In the four divisions of employment or of labor which have been adopted, although there is diversity of operation, yet there is unity of principle, and the result is moral and physical harmony or agreement. I now propose to show, that however extensively or numerously the division and sub-division of employment, or matter of diversity, be carried on, yet it is essential that the unity of principle be preserved throughout.

I now proceed to prove that the principle opposed to that of co-operation or conjunction, namely, that of confliction or competition, cannot be admitted into a system of social action without introducing injustice, or moral evil, and a derangement of capital, or physical evil. In order to prove this proposition, I will suppose that the four parties already adduced have increased their number to ten, and the fruit of their labor or their productions to ten likewise, and that they are exchanging all these things mutually and beneficially, upon the principle of unity already explained. Thus, then, there will be ten families forming a community, and ten species of commodities forming their capital.

The ten parties being in this state, I will suppose that the members of the party D, in the search after their commodity, fuel, discover that they can in addition to the commodity fuel procure also the commodity suited for building, and that too of a better and more enticing quality than is supplied by C; the consequence is, that they devote that portion of their labor which need

* I beg leave to state in this place that it appears to me desirable to receive and use the word "Capital" in the most extended sense. I take it then to include in its meaning every thing that can be exchanged for anything, or that has value, from the smallest up to the greatest, thus combining to form one great aggregate of value.

not be directed to the procuring fuel, to the procuring the commodity adapted to building a habitation, so that in a short space of time they are enabled to procure this in addition to fuel. This being effected, they offer it in exchange. Now, it will be evident that the state of things thus brought about, must be in the greatest degree injurious to the interests of C, for, if the facts of exchange be realized, it must happen thus;—A ceases to demand, that is, he rejects the commodity or building materials supplied by C, transferring his demand to D for the superior commodity supplied by him, and delivers in exchange the superabundant food which before was ordained as the share of C; B does the same by withholding his commodity; the same with E, and likewise throughout the entire number of the series. D, therefore, and those with him, will have doubled their acquisitions, but by this they will have consigned C and those connected with him to a state of destitution.

In thus tracing out the effect of a wrong principle of production, I have inferred that all the members of the community, with the exception of those forming the party C, who have been directly injured, have received no injury, or, that the party D, the producers of the new commodity, have taken in exchange or made a demand for every portion of the various other commodities which have been necessarily relinquished by the party C; but in a more advanced state of society, the effect of a transaction issuing from the same principle would be greatly changed and the injury enhanced, as it would not be confined to those representing the party of C, but would be extended to many others by reason of the demand for their commodities having ceased in a degree. The derangement therefore would be general, whereas I have now supposed it to be merely partial. I will prove this hereafter by a more enlarged example.

Probably it may be advanced in objection to this line of argument, that the entire matter of nature being open and available, C may go back to his former state, and that he and those composing his family can, by directing their labor to the producing another commodity, soon regain their lost station. It will be evident, however, that keeping in view the established postulate, such an argument in objection is futile.

The question and the ONLY question is, whether such a state of things as that now instanced, be, as regards the community, a progressive or a retrogressive step. It has been admitted that the tendency of population being towards a constant increase of its species, so a constant increase of means or capital is required to sustain it, and to be kept in advance of it. Here then C and his family are deprived of their means of support, and cast back into their original destitute condition. Their labor and time having been employed in procuring an article which they knew by previous compact with others, to be valuable, another commodity is substituted in the place of theirs, and other parties of the community receive that which in right should be possessed by them. If the previous line of argument be strictly adhered to,—and I contend that it must be,—the inference respecting the deserted or injured party is, that by such a course of action as

that now instanced, they must perish; for, it having been shown that the means must precede, and also that a limited time only can be allowed for procuring these means, and that time, in the case now instanced, being passed, so with the failure of the means the power of sustaining life must fail also. I submit, however, that my argument would be equally valid if I should abandon the extreme range of my proposition. It is sufficient that I substantiate the fact of *retrogression* or *derangement*, showing the cause whereby destitution or poverty arises, notwithstanding this state be not followed by death as an effect of it.

Moreover I must observe also, that if we take a view in advance of the early stage of social compact now instanced, it will be seen that, for parties placed under similar circumstances to those which I have supposed, there is no such power as that of having recourse to the surrounding unappropriated matter of nature, for it has been thought expedient at a very early stage of human government, to assign all such matter as private property, to be developed under a very different rule from that now brought as an example; consequently, all such resource as that of the unappropriated matter of nature is wholly interdicted from those who lose their hold upon *existing capital*. It should be noticed particularly that it is upon this last-mentioned basis alone, that is, EXISTING capital, that any independence whatever is to be placed.

I will now argue the question upon the principle of right or justice. It must be remembered that the power possessed by each party of acquiring and enjoying the commodities not produced by themselves, did not originate with themselves. It has been seen that although A bestowed his labor upon procuring food, and thus acquired a property in the fund or stock of food, yet that B did the same thing too, the natural fund being open equally and freely to both, and that then there was a superabundance of this produce on the part of both, and the superabundance acquired by A was useless or valueless to him in that state, and must have remained so if B had not consented to quit the occupation, and to direct his labor in another channel. Thus the value of A's commodity arose out of the act of B, and the value of B's commodity arose out of the act of A, and so likewise throughout the series.

It follows, therefore, that the portion originally exchanged with or demanded by each, should be held as the property of each, not as the property of him who earned it, and in whose custody it remained, but as the property of him by whose act it originally received the stamp of value, and without whose act it never would have possessed value, or become available as a matter by which to acquire anything. To appropriate this, therefore, to a purpose other than that which may be sanctioned by the party who called it into existence, is a departure from the rule of right, and a violation of that law which a just and impartial Creator would desire should regulate every motion of a moral system.

It must be remarked, also, that a way was open to a just management of the matter. When D found that he and the members of his family could furnish the matter procured by C in

a manner better suited to the wants of the community, his object should have been to have communicated the fact to all the members, so that by preconcerted arrangement, advantage—if it were possible to be derived at all—might be taken of the discovery for the benefit of all, by which means the supplanting of the right of C would have been avoided, and he and those with him made partakers of the good thus developed; by so doing moral and physical law would have been preserved in co-action.

It may be objected again, that under such an arrangement the progress of civilization or of improvement would be impeded. The answer to such an objection is, that we are arguing for the purpose of finding out the causes ordained to operate for the well being of ALL mankind. This is the agreed postulate of the problem under solution. The primary object of an all-wise and benevolent Creator must be the well-being of ALL his creatures. The principle of diffusiveness must be in accordance with his laws. The increase or improvement of material things of enjoyment must be secondary, or an issue of the primary. To argue otherwise would be to reverse the just order of things, by raising the material above the spiritual, or to assert that God would prefer to see man indulging the gratifications of sensual appetite by violating the law of social love.

The principle which I have thus brought under examination requires to be still further commented on. I have shown, by my example of illustration, the ill effect of supply exceeding demand, and this state of facts introduces for our notice another great law as necessary to be affixed to production, that is, the law of PROPORTION. Although this law has been noticed by many writers, yet I beg to call your attention to it in the most particular manner, because I shall have to contend that it is on account of their having neglected to mark well its operation that they have not been able to keep in the current of truth. I propose here to establish the all-important nature of its agency.

It is evident that production is the thing required, for without production having precedence, or being in existence, consumption cannot be. It has been made equally evident that the production of any commodity, taken by ITSELF, or reckoned merely as ONE, can be of importance only as regards one commodity, and that is food; for food being absent, the presence of any other thing is useless. With regard to the existence of a supply of food above what one man may require for himself, it has been shown that this superabundance can be made available or valuable only by the presence of something distinct from itself; that is, by the existence of another commodity to be given in exchange for it. This is the principle of demand. Now I contend that to preserve regularity of motion, or a continuity of value, the measure of one thing must be equal with the measure of another. That is, the supply of one thing equal to the supply of another; or, supply and demand existing in a just proportion. To show the operation of this law I will suppose the supply of one commodity to be represented by the number 10, and the demand for it to be represented also by the same number.—

Now, if the supply be increased to 14, and the demand to 12 only, the proportion is changed, and hence must arise derangement in the value of the thing supplied: or, let the supply continue at 10, and let the demand decrease to 8, hence it is evident will ensue the same effect as before, occasioned by an excess of supply over demand, or a derangement of proportion. As demand is the regulator or only cause of value, so by the variation of its power the things subject to it must be affected.

If we take a view of the law of proportion—our minds being uninfluenced by our knowledge of facts by experience—it will be evident that it must, of necessity, be the great regulating law. Thus, whatever the number of mankind may be, yet this number is destined to increase. I will suppose, for the purpose of my argument, that this number is small. Now on this side, then, we have mankind existing in a small number; yet, on the other side, we have the matter of the world, as ordained for the use of man, existing in the crude abundance adapted to the wants of the greatest number that can be hereafter. Now the quantity of any thing required by the number 100, must differ materially from the quantity of the same thing required by the number 1000. Thus with regard to the production food—there must be a given quantity required for a given population, and if this given population be 1000, and the quantity of food produced be equal to the want of 1500, it is evident that an error has been committed on the side of production, that is, the law of proportion has been broken. If the Creator had been so distrustful of the agency of man as to withhold from him the use of all matter excepting in such measure or degree as was required by his immediate want, the diffusion of this being enforced according to his own rule, that of justice, the law of proportion would not have existed as applicable to the development of things by man; but in that case, all individual as well as general freedom of action and accountability touching these things would have been denied to man, and God himself would have been the observer of the law of proportion.

It may probably be advanced in objection to this argument, that if we were to reason in accordance with it, we must admit that it would be possible to have our lands too fertile—our harvests too abundant—and the goodness of God too great. The answer to this is easy and simple. It is not possible to have the fruits of God's goodness too great for his own purposes; but it is possible to have them too great for the bad purposes of man. God may provide most abundantly, but if man, instigated by base and selfish propensities, deranges the matter of the provision by an unjust method of exchange or diffusion, evil will result on account of the misappropriation of the bounty of God. The work of God being that of creating or providing, he leaves with man the secondary though great power of appropriating; but power without right principle is mischievous and destructive—hence the increasing this power without a previous improvement of the principle of using it would be adding force to the dominion of evil.

I propose now to show, that the principle of confliction or competition is equally injurious in

an advanced, as it has been shown to be in an early stage of human society, and that its effect is, in every instance, a destruction of value or capital. I will frane my proposition of illustration upon the fact of converting a home trade into a foreign, and I will assume my example as appertaining to the two countries France and England. I will suppose that both these countries having made considerable advance in civilization and improvement, it is found that in England the commodity wheat is dearer than the same commodity is in France, and that the commodity cotton manufactures is cheaper. That is, in England wheat is as the number 12, and cotton manufactures as the number 8, making together the number 20. Now in France the reverse of this is the case; that is, wheat is as the number 8, and cotton manufactures as the number 12, making together the number 20. It must be remarked here, that, as regarding the two commodities, when taken in their *combined* character, the people of both countries are upon an equality of enjoyment; for, if the consumers of England have to pay more for their wheat, yet they have to pay less for their cotton manufactures. So of the consumers of France; if the cotton manufactures of that country are dearer than those of England, yet the wheat is cheaper, so that, taken together, the facts amount to the same result. The question to be tried is, whether it will be advantageous to the people of both countries to leave off exchanging or demanding the dearer commodity in each, and to commence buying the cheaper commodity. That is, the people of England to leave off demanding the wheat produced by the labor of their own countrymen, and to demand that produced by the labor of the people of France; and the people of France to leave off demanding the cotton manufactures produced by the labor of *their* countrymen, in order to demand those produced by the labor of the people of England.

In order to arrive at a correct conclusion respecting the extensive and intricate problem which I am here called upon to work, it is necessary that I should trace out, with the utmost accuracy, an existing state of facts, &c. that I may show in the first place *what is*, before I attempt to infer *what will be*. For this purpose I beg to invite your attention to a diagram at the beginning of the volume. I introduce a diagram, because it appears to me likely to prove useful in aiding the mind to include, and to keep in its view, the great variety of matter which it is indispensable should be comprehended for the correct working of the problem. Indeed, it may be seen by the writings of most authors who have treated on the science, that the difficulty of collecting together the number of facts so as to enable them to be comprehended, and kept under inspection, and hence under calculation, has formed the great impediment to their successful development of the science, and has driven them, on occasions of the utmost urgency, and when they were most imperatively called upon for perseverance, to turn away from the pursuit of truth, and to resort to the impotent assertion, that "the subject does not admit of any satisfactory solution," or, that "the problem depends upon circumstances too numerous, intricate, and undefined, to admit of

a precise solution." The difficulty I propose now to obviate.

In accordance with the setting out of the diagram, I will take the number of the people of England as five millions, and I will assume that half a million of them are employed in producing wheat. In the next place I will assume the capital of England to be of the aggregate value of one hundred millions of pounds sterling, and that, of this, the proportion derived from wheat is ten millions. The remainder of the population, or four millions and a half, are employed upon nineteen other classes of productions, some of which are made up of single commodities, others comprise numerous commodities. There will be then a value of ninety millions assignable in various proportions, among the nineteen classes of productions. As to the commodity now in question, that is, wheat, we have to trace out its operation upon the *general* capital.

In the first place, then, a portion of it will necessarily be consumed by its own producers; that is, one tenth or one million value. The remaining nine millions value will go to be exchanged, or will constitute a demand for certain portions of the other nineteen classes of commodities, each in its proportion. Thus we discern mutual action or dependence. As the commodity A, or wheat, is, to a certain extent or degree, dependent upon a portion of the commodity B, so an equal portion of the commodity B is dependent upon the portion of the commodity A. The same fact exists as regards the commodity C, the same as regards that of D, E, F, and G, and so onwards throughout the entire series. Portions of each being exchanged for portions of the others, thus establishing the principle of connexion, union, or general dependence. The nine millions value of A, or wheat, therefore, will form the substance of demand for an equal nine millions value of other commodities, each in its degree, which, in their turn, will form the substance of demand for the nine millions value of A, or wheat. Thus, it is evident, that there are TWO values here incorporated—firstly, the value of A, or wheat; and secondly, an equal value of other things, for the purpose of exchanging with which wheat was produced, and by the demand of which it was called into existence, the other things constituting the corresponding general value, having been called into existence by the demand made by those who produced wheat.

Upon viewing the state of the population and capital of France, constructed upon a diagram of a similar plan, it will be evident, that it will be under the operation of the same principle as that just described as existing in England. Certain portions of the *general* capital will be dependent upon the value of the cotton manufactures which is exchanged in the country; that is, supposing their value to be ten millions, one of which is consumed by their own producers, then there will be also other nine millions dependent upon the demand made by means of other productions of equal amount, and which, in their turn, are also dependent upon it; thus constituting in France the two sources of production or value.

To put the proposed change into effect, first as regards England:—Upon the importation of the wheat of France, the consumers or demanders of

English wheat prefer the cheaper commodity of France, consequently that of English growth is displaced to the degree in which the supply takes place, the French being substituted for it. And now it must be noticed, as the immoderate effect of such a change, that, as the demand for English wheat ceases, so there will be a corresponding cessation of demand for those commodities, or capital, which have been produced for the purpose of exchanging with the English wheat; for if B will not exchange with A, it is clear that A cannot exchange with B. Thus then, in the first place, there occurs derangement in the demand for the commodity of class A, or wheat, being a direct effect produced by a direct cause. The next thing is, a cessation of demand of a portion of the commodity of the class B, being an indirect effect, brought about by an indirect cause, namely, that of reaction, on account of the injury done to the class A, who are the demanders of a part of the commodity of class B; for it must be remembered that *the demand of France is not to consist of all those productions or capital which heretofore have formed the matter of demand by the producers of English wheat*; but, in the place of this, the new demand is to be concentrated in one community, that of cotton manufactures. The reaction, therefore, issuing from the disturbance or injury done to class A, will be carried on throughout the entire series, with the exception (for the present) of class K, or cotton manufactures.

Now, in the state of things here instanced, we discern an infraction of the great law of proportion, which I contend, is not confined in its operation to one part, but is extended over the whole body of capital. For if the members of class B find the demand for their commodities diminished, so that the supply becomes disproportioned to the demand, or in excess, the only resource apparent to them in such emergency is that of entering into competition with each other, in order to dispose of, or to sell their commodity, which cannot be done without a sacrifice being made of a portion of its value. A similar state of facts will ensue, also, as regards the producers in every other class. Thus injury is sustained, in the first place, by existing capital, and in the next, the future increase of it, or the general profit, will, it is evident, come forth under circumstances less auspicious to the formation of capital.

And now, as regards the commodity under class K, which is cotton manufacture—increased demand is to be made in this quarter; but it is all-material to consider and to bear in mind that *whatever increase does take place, must be derived from the general stock or capital, that is, from the aggregate of the existing commodities. To whatever degree an extension of production takes place in this quarter, just such equal degree must be consumed in forming the production, and all this matter of consumption must be abstracted from the existing capital, which, when put together in value, will form the cost of the production. Up to this point there is no increase.* Let any amount whatever be produced, the increase will consist only in the profit accruing from the aggregate of the production when exchanged, that is, the excess of value, when

sold, over and above the value consumed in producing the commodity. In addition, I contend that this class of commodity, or cotton manufactures, will become subject to the same law which operates on every other class of production; for an increase of demand will incite an increase of supply from many new sources, the effect of which must be that the profit will descend to the general level of that derivable from other sources of production.

I desire here to call your attention again to the diagram representing the entire body of capital; for, I submit to you, that I have shown by correct application to its matter of laws previously elucidated, that the result of the change proposed must be, in every quarter, a destruction of value or capital.

With regard to the question as it affects the capital of France, I need not dwell upon it at length, for it will be obvious that the same principle will bring about there the same result; that is, the producers of cotton manufactures will sustain direct injury by the production of English labor being substituted for the production of French labor. Again, the injury done to the demand for French cotton manufactures will diminish the demand of this class of producers for all those commodities upon which they have been accustomed to make a demand, thus causing a general retrogression or declension of value, or exchangeable power of the entire capital of the country.

When the question which has now been tried is contemplated in a moral point of view, in addition to a physical, the same deviation from a right course of moral action will be discerned, as was shown to exist in the less expanded example contained in the more early part of my argument. In respect of the French case, it will stand thus:—A class of the people, comprising a great number of them, is employed upon the manufacture of articles of cotton. From a small beginning the trade has increased to a considerable extent, thus enabling those engaged in it to set up a demand among the community for whatever other commodities they may want, the extent of which demand is measured or indicated by the aggregate amount of their own productions. Here, I contend, that the various productions or property, thus demanded, became under the power and control of its possessors only by reason of the producers of cotton manufactures having directed their labor into a channel which was serviceable to all others, as well as to themselves; that is, THEY created the demand which constitutes the value or the property of other classes to the degree in which their own commodity was recognized as useful, and under that incentive exchanged. Let the matter be viewed in what light it may—let the utmost ingenuity be displayed for the purpose of changing the character here assigned it, yet, I contend, it will still be simple and apparent; it will remain of the nature of a TRUTH. The property or value in possession of A, B, or C, cannot be held as of right belonging to A, B, and C, but as belonging to others. The portion of A's property to B and others, and of B's to A and others, and so onwards. Now, for the French people to desert their own producers because they are offered a commodity either pro-

curable at less cost, or more inviting in the nature of its fabric, is a breach of compact, a gratification of the selfish principle at the expense or by the degradation of the social, and hence a violation of the law which God has ordained as good for the guidance of man. As in the case of France, so likewise in that of England.

Upon concluding the proposition of illustration which I have now submitted, I beg to call your attention to the remarkable fact, of my having been necessarily led to the construction of the identical proposition incorporating *Two Values*, as extant in the works of Adam Smith and Say, and which, as I have shown in my first argument, has formed hitherto an impassable barrier in the state of the science. For, although writers on the science have not found it expedient to avoid noticing and treating of the strong and remarkable proposition framed by these authors, yet, in every instance, they have treated it either with acknowledged incapacity to solve such a proposition, or, in their attempts to solve it, their arguments have fallen back powerless and discomfited.

Having thus examined the principle of confiction or competition, and concluded upon its rejection, I proceed, in the next place, to define what constitutes and measures out, the precise degree of advance which may be made in the development of the crude material of nature, by means of labor assuming various divisions and subdivisions of employment, and aided by the laws of social compact. Upon reverting to the origin of a system which has been already set out, we discern respecting the first motion of it, that the superabundant production of A became a matter of advantage or profit to him, when B presented another production in exchange for it, that is, demanded it. So in the case of B. Thus, it is evident, that the *superabundant* production of A, or his *profit*, marked out the degree of advance as regarded A and B. So again on the formation of a third division, or C. The increase or profit of A and B, measured out the degree of advance or improvement to be undertaken. The third division having been effected, or established successfully, and an increase taking place in all, the aggregate of this increase or profit forms again the fund, by means of which a further advance may be made, and so, I contend, must the principle here developed continue its operation throughout any given series of exchanges. Just so much may be done—more cannot be done.—Thus it has been established, that capital, or means, must have precedence of population, and be so continued. The increase of capital, then, or as it has been termed, profit, measures out or indicates exactly, the extent of the power of improvement. If this law of *degree*, as issuing from the general body of capital, be observed, the result would be the additional observance of the law of proportion, as applicable to each commodity in its separate character, and thus a perfect system would be in operation, exemplifying the two great points desired, namely, abundant production and *a just law of diffusing it*.

As the matter here contended for is the most important feature of the entire subject, I will refer again to the diagram, in order that it may be set forth in the clearest point of view. In this

diagram we discern the population of a state to be in number five millions, and its capital of the value of 100 millions. We discern, moreover, the several divisions of employment, the productions of each being exchanged generally, form the substance of support, or the power of each class to buy or to enjoy. Now it must be remembered, that the agreed postulate of the problem I am working, is that of finding out the method whereby a constant increase of the fund here exhibited may be insured, in order to provide for a constant increase of the people who are to subsist by it. Upon applying the great law of demand, as it has been established in my argument, to all the sources of production set out in this diagram, the result will be a continuity of this power or demand, in order to preserve existing interests, and then an advance from this basis adequate to the increase which each fund acquires by reason of the new portion of it, or the increased production acquiring value by the general demand made for it by others. Thus if the increase or profit of the 100 millions capital be 10 per cent. during a year, in that case there will be a fund of 10 millions out of which to effect the changes undertaken by the entire community.

Such a course of action being observed, and a sufficiency secured for all the members, a community might then be in a state to afford a sacrifice or expenditure of a portion of capital. The manner of doing this would then become a matter for deliberation. It might be decided, by means of such surplus, to substitute a mechanical instrument for manual labor; it might be decided to exchange a portion of production made by the labor of the community for a portion of another production procured by the labor of another community, or in fact in any other method devised. But whatever direction industry is decided to pursue, the laws now developed should be adhered to, for the purpose of preserving in the change made the existing rights of all; or if an encroachment be made, an equivalent granted, thus fulfilling the great moral law of justice. If a state should do contrary to this, and decide upon importing, for the sake of mere pleasant or luxuriant consumption, an article which was not to be procured among its own people, and in effecting such or any other change, should disregard the established right of any of its own people, its case would be precisely as that of the parents of a family who should be found regaling themselves with wine while they permitted their children to want food. Let the children be well taken care of in the first place, and then the moderate enjoyment of wine would be in conformity with right or the law of God.

By the entire matter of argument which has now been advanced, I contend, that the principle of unitedness, co-operation, or conjunction, is shown to be the law ordained by the Creator for forming and preserving the strength and well-being of states. It will be observed, that the principle thus affixed to progressive motion, is in its nature analogous to the laws which govern matter in general. In order to produce constructive harmony, a strict combination and co-movement of parts are necessary; and in contradistinction, discord, derangement, and destruction, arise from powers meeting in conflict.

Commencing in a small centre, and continuing an expansion under the form of a regularly connected series of advancing circles, establishes the principle of union or co-action, in opposition to that of confliction, competition, or repulsion. And one law or principle being applicable to all states, that is, truth being of universal application, it will follow, that the interests of all associated communities of people or nations are identical; and also that they are the contrary of being identified, and that there is no principle by which powers having their origin in distinct centres, and advancing from these centres, can be made to merge and move in a direction opposite to that from which the original impulse is received.

In order that the operation of the great general law which I have hitherto contended for, may be clearly discerned and comprehended, let a map of the entire world be placed open for inspection. Let it then be supposed, that the existence of man upon this sphere has just commenced, or, that two persons only are existing. That these two persons and their progeny are to develop the matter before them by means of labor. The work must, of necessity, be accomplished portion after portion, or by degrees, and by mutual assistance, or by numerous divisions of employment. In conducting the process of development, the powerful, though simple law of regard for the operations of each other's labor, that is, a series of exchanges under the rule of justice, is to be observed; thus the expansion is to be carried on from man to man, or by labor and labor, to any conceivable extent.

Now, let it be supposed, that after the lapse of a certain time, two families resolve on quitting this first or original community and compact, and to commence a separate course of action, for which purpose they betake themselves to another and a distant part of the world. The same process of acquiring, must, of necessity, be observed in this, as was observed in the community formed first. Now here a distinct nation will arise, and, it will be obvious, that the principle of advancement will be of a character precisely the same as that of the society first instanced. Thus there will be no identification of interests between the parties who compose the first community, and those who compose the second, for this has been broken by the parties themselves having quitted the original association or stock; but the law of action will continue the same, and will be as imperative on the persons composing the second community, as it was on those composing the first.

All nations have attempted, at various periods of their history, by instituting numerous commercial regulations and restrictions, to effect, in some degree, the object here explained, and the records of our own country present remarkable examples of the fact, and they appertain to the circumstances, both of our domestic and foreign relations. But the natural and inherent selfishness of man, intent mainly upon his own interests and gratifications, has urged him to disregard, to oppose, and to break down, all such regulations, and therefore it is, that by the course of events, the existence of distress and destitution in states, has become almost as great, as if such beneficial

laws and regulations had never been framed. And so greatly does the inclination to do wrong, exceed the inclination to do right, that if it had not been for the impediment interposed against the free or indiscriminate and licentious intercourse of nations by the confusion of language, no community on earth would ever have attained to any considerable degree of eminence or power, unless indeed a new law of action, very different from the natural one, had been not only promulgated, but also obeyed generally.

Having established the principles of my constructive argument, and exemplified them as far as I conceive it to be requisite at present, I will, in the next place, call your attention to evidence in corroboration. You will have perceived, that, in the matter which I have laid before you, most particular stress has been placed upon two great features of it—the one being the law of precedence, or the necessity of keeping capital in ADVANCE of population; the other being the law of proportion, as applicable to production in general. I propose now to show you that the importance of these two laws has been seen and recognised; but, unfortunately, their operation has been overlooked amidst a confused state of matter, and hence have arisen the erroneous conclusion to which your attention was called in the course of my first argument.

I will cite, first, as touching the law of precedence. In the 1st Book and the 3rd Chapter of the Wealth of Nations, there occurs the following:

"As it is the power of exchanging that gives occasion to the division of labor, so the extent of this division must always be limited by the extent of that power, or in other words by the extent of the market.

"The extent of their market, therefore, must for a long time be in proportion to the riches and populousness of that country, and consequently their improvement must always be posterior to the improvement of that country."

Again, 1st Book, 8th Chapter:—"The demands for those who live by wages, necessarily increases with the increase of the revenue and stock of every country, and cannot possibly increase without it. The increase of revenue and stock is the increase of national wealth. The demand for those who live by wages, therefore, naturally increases with the increase of national wealth, and cannot possibly increase without it. It is not the actual greatness of national wealth, but its continual increase, which occasions a rise in the wages of labor. It is not accordingly in the richest countries, but in the most thriving, or in those which are growing rich the fastest, that the wages of labor are highest."

Again, 2nd Book, Introduction:—"A weaver cannot apply himself entirely to his peculiar business, unless there is BEFOREHAND stored up somewhere, either in his own possession or in that of some other person, a stock sufficient to maintain him, and to supply him with the materials and tools of his work, till he has not only completed, but sold his web. This accumulation must, evidently, be previous to his applying his industry for so long a time to such a peculiar business."

"As the accumulation of stock must, in the nature of things, be previous to the division of labor, so labor can be more and more subdivided in proportion, only as stock is previously more and more accumulated."

In the Essay on the Principle of Population by Malthus, Book 3rd, Cap. 8:—"It must ever be true that the surplus produce of the cultivators, taken in its most enlarged sense, measures and limits the growth of that part of the society, which is not employed upon the land. Throughout the whole world the number of manufacturers, of merchants, of proprietors, and of persons engaged in the various civil and military professions, must be exactly proportioned to his surplus produce, and cannot in the nature of things increase beyond it. If the earth had been so niggardly of her produce, as to oblige all her inhabitants to labor for it, no manufacturers or idle persons could ever have existed. But her first intercourse with man was a voluntary present, not very large indeed, but sufficient as a fund for his subsistence till he could procure a greater. And the power to procure a greater was given to him in that quality of the earth, by which it may be made to yield a much larger quantity of food, and of the materials of clothing and lodging, than is necessary to feed, clothe, and lodge the persons employed in the cultivation of the soil. This quality is the foundation of that surplus produce, which peculiarly distinguishes the industry employed upon the land. In proportion as the labor and ingenuity of man, exercised upon the land, have increased this surplus produce, leisure has been given to a greater number of persons to employ themselves in all the inventions which embellish civilized life; while the desire to profit by their inventions, has continued to stimulate the cultivators to increase their surplus produce. This desire may be considered as almost absolutely necessary to give it its proper value, and to encourage its further extension; but still the order of PRECEDENCE is, strictly speaking, the surplus produce; because the funds for the subsistence of the manufacturer must be advanced to him before he can complete his work, and no step can be taken in any other sort of industry unless the cultivators obtain from the soil more than they themselves consume."

Again, the same work, Book 3, Cap. 14:—"And in the same manner, with a view to any essential improvement in the condition of the laborer, which is to give him a greater effective command over the means of comfortable subsistence, it is absolutely necessary that setting out from the lowest point, the increase of food must precede and be greater than the increase of population."

"Strictly speaking, then, as man cannot live without food, there can be no doubt that in the order of PRECEDENCE food must take the lead."

In Mr. McCulloch's work, "Principles of Political Economy," there occur the following passages bearing upon the point:—

Page 99.—"The division of labor cannot be carried to any very considerable extent without the previous accumulation of capital. Before labor can be divided, a stock of goods of different kinds must be stored up somewhere, suffi-

cient to maintain the laborer, and to supply him with materials and tools. A weaver cannot apply himself entirely to his peculiar business, unless there is *beforehand* stored up somewhere, either in his own possession, or in that of some other person, a stock sufficient to maintain him, and to supply him with the materials and tools of his work, till he has not only completed but sold his web. This accumulation must evidently be previous to his applying himself for so long a time to such a peculiar business."*

"As the accumulation of capital must have preceded the extensive division of labor, so its subsequent division can only be perfected as capital is more and more accumulated."

Again the same work, page 377:—"The capacity of a country to support and employ laborers is in no degree dependent on advantageousness of situation, richness of soil, or extent of territory. These undoubtedly are circumstances of very great importance, and have a powerful influence in determining the rate at which a people advances in the career of wealth and civilization. But it is obviously not on them, but on the *actual* amount of the accumulated produce of *previous* labor, or of *capital* applicable to the payment of wages in POSSESSION of a country, that its power of supporting and employing laborers must depend. A fertile soil affords the means of rapidly increasing capital; but that is all. BEFORE the soil can be cultivated, capital must be provided for the support of the laborers employed upon it, as it must be provided for the support of those engaged in manufactures, or in any other department of industry."

Having thus shown that the law of precedence has been noticed, and its important character acknowledged, I will now invite your attention to passages in the works of Adam Smith and Malthus, bearing upon the law of proportion. I beg leave here to remark, that this feature of the subject forms to me the most interesting point of the science, for, it is owing to the not having discovered, or neglecting to bring into operation, the all-pervading power of this law, that the arguments of all writers have failed to establish that perfect arrangement of matter which constitutes truth.

In the 1st Book and 7th Chap. of the Wealth of Nations, there occur the following passages:

"The quantity of every commodity brought to market naturally suits itself to the effectual demand. It is the interest of ALL THOSE who employ their land, labor, and stock in bringing any commodity to market, that the quantity never should exceed the effectual demand; and it is the interest of all other people that it never should fall short of that demand."

And again:—"The whole quantity of industry annually employed in order to bring any commodity to market, naturally suits itself in this manner to the effectual demand. It naturally aims at bringing always that PRECISE quantity thither which may be sufficient to supply, AND NO MORE THAN supply, that demand."

In the passages just adduced we see that the author has wrought out, by a very narrow range

* This passage is that already quoted from the "Wealth of Nations."

of argument, the law upon which I am now treating. He has declared, on the one side, that the production of commodities should never be permitted to fall below a certain line; and on the other, that it should not be permitted to rise above this certain line, thus defining as accurately as possible the law of proportion as necessary to be applied to production.

I will now cite the passages from the writings of Malthus. At the close of his work, "Principles of Political Economy," Sec. 10, under the head of "The Progress of Wealth," he treats the subjects under discussion in a very elaborate manner; and after adverting to the difficulty there is in accounting for certain effects, which, according to the generally received mode of reasoning, ought not to have followed the causes adopted—that is, that the power of production, when taken singly, does not bring about the effects predicated as to it, he puts down the remarkable sentence which I have quoted in my first argument. It occurs at page 420, and is as follows :

" Altogether,¹ the state of the commercial world since the war, clearly shows that something else is necessary to the continual increase of wealth, *besides an increase in the means of producing.*"

Now, you will observe, that something else is here admitted as wanting to be attached to production, in order to render it efficient for the purpose of forming wealth. This "something else" I will now attach to the word "production" and by means of another passage from the same work. It occurs in the 1st Chapter of the 7th Section :—

" It will be found, I believe, true, that all the great results in political economy, respecting wealth, depend upon PROPORTIONS; and it is from overlooking this most important truth that so many errors have prevailed in the prediction of consequences, that nations have sometimes been enriched when it was expected they would be impoverished, and impoverished when it was expected they would be enriched; and that such contradictory opinions have occasionally prevailed respecting the most effective encouragements to the increase of wealth. But there is no part of the whole subject where the efficacy of proportions in the production of wealth is so strikingly exemplified as in the division of landed and other property, and where it is so very obvious that a division to a certain extent must be beneficial, and beyond a certain extent prejudicial, to the increase of wealth."

On putting the argument of the above passage to that of the former, regarding production, we have, I contend, the "something else" which was there admitted as wanting. The end at which we arrive by these means is Proportionate Production, which, I submit to you, is the realization of the entire truth of the science of Social Economy, as regards the modification and appropriation of physical things by the labor of man, or the law of the formation of wealth: and, moreover, I submit to you, that this law has formed the binding power of my constructive argument, from the first combination of matter in which it originated, throughout the entire of its succeeding series.

It is desirable that I should call your attention, at this stage of my argument, to the manner in which my preceding course of reasoning applies to a very important, and which I have before noticed as forming a very perplexing question, in the science of Political Economy. The question to which I allude is the effect produced on a country by absentee expenditure. It was shown, in my first argument, that they who advocate the free principle of commerce are necessarily led to the conclusion that absentee expenditure is advantageous to a country, or enriches it. It was shown, moreover, that this conclusion, when viewed in its great practical character, had appeared so contrary to truth as to induce its rejection, even by those who are advocates for the principle of freedom from which it emanates, and who thus have exhibited the unphilosophical example of men propounding and adhering pertinaciously to premises, when, on account of the manifestly false nature of their conclusions, they have been led to abandon them, although they are legitimate issues. Thus the question of absentee expenditure stands at the present moment an unsolved problem, or, in fact, a stumbling-block in the state of the science.

Now, I contend, that by the foregoing course of argument it is rendered apparent, that absentee expenditure abstracts capital from a country, and, consequently, diminishes the fund for maintaining its people. If a country should be found to possess superabundant capital, that is, such a great general and well-adjusted supply of commodities as is more than sufficient to sustain all its own people well, in that case absentee expenditure might be indulged in; but, even then, only up to a given degree or proportion, which degree or proportion is equal to, or indicated by, the amount of superabundant capital.

The state of facts thus appertaining to the question of absentee expenditure is so apparent as to have forced a recognition from writers, who, notwithstanding, have been, and have continued to be, advocates of the free principle. Thus Mr. P. Scrope, in his work on Political Economy, page 395, has treated this question in accordance with the view which I have now contended for. The passage is as follows :

" The Irish absentee can only have his rent remitted in the shape of food. There is no secondary intervening process whatever; and the more food is in this way sent out of the country, the less, of course, remains behind to support and give employment to its inhabitants. If these were all fully fed and employed, no harm would result from the exportation of food, as is the case, for example, with some parts of North America. But so long as the people of any country are, as in Ireland, but half-employed and half-fed, so long to export food from thence will be to take away the means existing in the country for setting them to work and improving their condition."

It follows, therefore, that the question of absentee expenditure, even if viewed in its separate or isolated character, afford ample matter for annulling the principle of free trade. It establishes, beyond the reach of doubt, the necessity of observing the law of degree or proportion in the formation of national wealth.

ARGUMENT SECOND.

PART II.

HAVING proceeded thus far upon my investigation of the subject-matter propounded in your Book of Instructions, I now submit to you that the evidence which I have adduced, is sufficient to place beyond doubt the causes of the distressed condition of the great class of the people whose case is under consideration, and also of distress and destitution generally.

The principle of competition having been shown to be a principle of evil, it then becomes apparent, that this great primary cause must operate by a variety of effects, which, in their turn, become causes also. The matter, therefore, which has issued from my examination of the nature and effects of the primary cause, is applicable to the category which stands at the head of this inquiry, in the following manner:

It solves the first question, by showing that the distress IS occasioned in part by the diminution of demand for labor, arising from a diminished demand for the articles on which it is employed.

It solves the second question, by showing that the distress arises, in a degree, from a substitution of power-looms for hand-looms.

It solves the third, by showing that it must have arisen, in a degree also, from the importation of foreign commodities.

The fourth question, being analogous to that preceding it, is solved, therefore, by the same manner.

With regard to the great matter contained in the fifth question, I submit that it has been shown, that, in the event of foreign competition taking place in the great agricultural production of corn, the effect would be an infliction of injury upon capital in general, or the public fund. In the first place, this injury would be sustained by agricultural capital; in the next, by all other capital connected with, or dependent upon, agricultural capital; and then the labor thus relinquished or displaced, would be forced into competition with all other labor, whereby strength would be added to the cause of the evil deplored.

Touching the sixth question—the resumption of cash payments—I have not treated upon it at all, being under the conviction that it had better be left until the truth of all the great *previous* questions shall have been acknowledged. I say *previous* questions, because I hold that the matter of currency, or money, should never be sought to be made a cause, but should be kept in its just natural position, which is, in every instance, an effect. I will, therefore, merely acquaint you with the line of argument which I should feel called upon to maintain as a correct issue of the evidence already adduced, if I were proceeding to argue the question up to proof. It is this:—The object being an increase of capital,—that, in every instance where a paper currency is substituted for a currency of metal, that is, an unsolid for a solid constituent,—credit in the place of capital,—the effect is a destruction of value or capital. This is brought about by an infraction of the law of proportion as applied to production.

For one man being enabled to get possession of the capital or solid matter of another, merely by being pledged to account for it whenever a de-

mand is made upon him, the fact instantly in operation is, that the capital so acquired is diverted into another channel, or exchanged, the newly formed production entering into competition or competition with production in another quarter. Thus degree, or that correctly-adjusted proportion which ought to subsist between the supply and demand of all commodities, is broken, and injury in general inflicted.

As regards the seventh question, or the effects of taxation,—it appears to me that all particular treatment of it may properly be omitted for the present, as it will be evident that the matter required to solve it must, of necessity, be formed by the correct working out of the more comprehensive questions upon which I have already treated. Should premises, deductions, and conclusions respecting the greater question of the law of the formation of capital be agreed upon, those respecting the smaller question, or taxation, will merge in the greater, and thereby be easily solved. I shall, however, advert to this question in my third or remedial argument.

To the matter bearing upon the eighth question, or that of the increase of the number of the people without a proportional increase in the demand for their labor, I am bound to invite your most particular consideration. In the course of my first, or objective argument, it was made apparent by the bare matter of fact, without any exercise of the reasoning faculty whatever,—that the degree of the increase of capital has been, during a series of ages, far greater than the degree of the increase of population. It was there shown, by a simple statement of authenticated facts, that the result of the rate of increase of population in England, during the long period of seven centuries and a half, is not quite equal to half the number which would arise from the slowest rate of progression, or the arithmetical, which Malthus has assigned as the law of the formation of capital. While on the other hand, the authenticated statement of facts as regards the formation of capital, proves an increase in a degree far greater than would result from the quickest rate of progression, or the geometrical, which the same author has assigned as applicable to the increase of population. The facts, therefore, taken by themselves, necessarily compel a reversal of these rates of increase, and also with subtraction on the one side and addition on the other; for they show that the arithmetical rate of progression is rather more than twice too rapid for the actual increase of population; and also, that the geometrical rate is not sufficiently rapid for the facts of the increase of capital.

Now, on taking a survey of such a state of facts, and seeing that notwithstanding the greater proportional increase of capital, there is the existence of distress and destitution, the conclusion inevitably arrived at is against some principle in operation as affecting capital. For if it be thus true, that capital has been formed in a degree so greatly exceeding the increase of population, destitution can be accounted for in no other way than by imputing it to a mismanagement, or want of due regulation of the method of forming and preserving capital. In truth, there is no other ground remaining on which an argument can rest. I submit, then, that my line of reason-

ing on the law of the formation of capital, solves the question, and obviates all the difficulty which the remarkable state of facts here presents. It shows that the good inherent in the nature of things has been turned from its course, by the introduction of a bad principle into the method of appropriating; this bad principle is that of competition, set in motion by a variety of causes, by which a vast destruction of capital has been constantly effected, and in addition, the beneficial principle of diffusiveness counteracted. With regard then to the great and important question now under review, there is no foundation for the matter of it being entertained at all in the manner in which it stands in this inquiry; for the implication evidently rests upon that numerous class of the people who are poor and destitute, charging them with the infringement of the great moral law of prudence. It imputes to them the crime of having indulged in the procreation of their species, under circumstances which render it impossible that their offspring can be maintained. It has been shown that the matter of this allegation is wholly false; and hence I submit to you, that this branch of the subject ought to be omitted from every similar inquiry upon which it may hereafter be necessary to enter. The attention should altogether be diverted from the principle of the increase of population, and directed to that of the formation, preservation, and diffusion of capital.

As to the ninth question, or "the state of things which affects the rate of wages," it will be evident that this is comprehended in the one great subject which has been so much discussed, that of capital. It will be seen, that the rate of wages must depend upon the proportion which subsists between the supply of labor and the supply of capital, or the demand for labor. Whatever circumstance operates an increase in the supply of labor, without a corresponding or preceding increase of capital, or that which is to support labor having been produced, must, of necessity, diminish, in one quarter or another, the rate of wages. And, on the contrary, whatever circumstance operates an increase in the supply of capital in a proportion greater than the supply of labor, necessarily elevates or raises the rate of wages in some quarter. With regard then to the application of these principles to the present inquiry, I contend that I have shown that the absence of demand for labor or wages in many instances, and the low rate of demand for it, or low wages, in other instances, arise from a wrong course of action having been pursued as regards the formation of capital.

Upon entering on the consideration of the manner in which my argument is applicable to the most important branch of the inquiry contained in the tenth and last question, namely, that of moral causes and state, I beg to invite your attention, in the first place, to the fact of my having been under the necessity of assigning the existing destitution and misery to the operation of a bad moral or social principle. At the earliest stage of my argument, or that where social action was first entered upon, it was seen that all advancement, beyond that of the rudest kind, derived its origin from a principle of trust or dependence.

The adoption of *social* action necessarily involved the quitting a state of freedom, and the entering into a bound state, or a state of compact. Thus when we speak of such a state we use the word "tie." We say a "social tie." If man had resolved on continuing in a free state, that is, relying merely on the efforts of his own labor, refusing all connection with the labor of others by means of the division and sub-division of employment, his condition must have remained that of uncultivated rudeness and barbarism. But a law of his nature instigated a different course, and opened to him a more cheering and beautiful prospect. It urged him to prosper and to accept assistance, and to enter into social communion with his fellow-man, so that, by united effort, the dormant matter of nature might be developed and enjoyed. Thus it follows, that in a system of *social* action there is no such principle as that of freedom without consent of others existing; but there is that which is far better. There is in the nature of things a sufficiency of matter; and there would have remained, but for the derangement made by man, a sufficiency of right to its enjoyment, or an avoidance of that lamentable disproportion which is seen to subsist in the possession of property.

The principle, therefore, which a conjoined state of facts calls into operation, is that of uniting the good and interest of another with the good and interest of self. There is no such thing recognised in the truth of social science, as that of a single or selfish fact; but, on the contrary, every fact possesses a relationship to some other fact. As there are two persons concerned in every exchange, so there is a double capacity in every social fact. That is, supply by *itself* is nothing as regards exchange or social value, but when conjoined with demand, it is the thing required; so demand implies the existence of another thing of equal property to itself. On viewing this state of things it will be apparent that the adjective, free, must be altogether excluded, and if there should be found a disposition in the agents of such a system to break from the laws which are essential for promoting true and harmonious action, or public good, it would be found necessary to interpose a regulating power, in order to preserve, as much as possible, integrity of action.

Now they who have advocated the free system of exchange, or "free trade," have altogether neglected to mark the great moral condition annexed to the power ordained to be acquired by the labor of man. They have viewed the subject merely in its *single* character, or that of *self*. At the commencement, and throughout the series, they ought to have kept in view two persons and two things conjoined, whereas they have omitted one of each; hence in their calculation of facts they have omitted just half the subject, or left out one multiplier.

The principle here opposed has been no where more succinctly expressed, than in a work entitled "The Results of Machinery." At page 187 it stands thus:—"The truth is, every man tries to get as much as he can for his own labor, and to pay as little as he can for the labor of others." Now, when the sanction and potency of freedom is attached to the matter thus expressed, we have the principle set clearly forth.

A man is to wish and to endeavor to have the good in the greatest possible degree for himself; but he is to wish to assist in bestowing the good in the smallest possible degree on another. Here is exhibited the whole of the getting principle, but none of the giving. It will be seen that the issues of this principle must be on every side strife and destruction; for the second predicate of the proposition must inevitably destroy the power implied by the first, because the actor in the case is to become subject to the prescribed law of confliction, that is, every other man is to endeavor that he also shall acquire as little of the good as possible. It is—"his hand against every man, and every man's hand against him."

In my first, or objective argument, I have brought under notice a very important passage of the "Wealth of Nations," containing the first principle, or germ of the free-trade system; and in order to show the analogy which subsists between the matter of this passage and that upon which I have just commented, I will requote it in this place;—

"Every individual is continually exerting himself to find out the most advantageous employment for whatever capital he can command.—It is his own advantage, indeed, and not that of the society, that he has in view. But the study of his own advantage naturally, or rather necessarily, leads him to prefer that employment which is most advantageous to the society."

Thus it is asserted, that the study and indulgence of self-love is in every instance naturally or necessarily tributary to social or general good. I was led to remark also, that almost every writer had avoided treating of the moral nature of this great question, but that one author* had marked well the moral issues of the free principle. He, adhering to the rules of logical induction, maintained, in their regular course, deductions from adopted premises. He did not pause for the purpose of considering and obtaining a correct view of the nature of the end to which these were leading him; but, bad and immoral as the conclusion is, he has, nevertheless, evinced his fidelity to principle, by adopting it without hesitation, having argued that covetousness is the greatest of the social virtues, which, if the premises of the free principle be granted, cannot be disallowed.

At page 11 of your Book of Instructions, you advert to the moral and intellectual condition of the hand-loom weavers, acknowledging the superior importance of these branches of inquiry, and that not as regarding themselves alone, but as regarding also the rest of the community. Now I submit, that although a correct view should be acquired of the moral and intellectual state; yet it would be impossible to ascertain the means by which this state is influenced, without arriving at a knowledge of the moral condition of the rest of the community, the issues of which bear upon and affect the circumstances of the hand-loom weavers. I have shown that their physical condition is dependent on the actions of others. It is true, indeed, that without a due degree of industry and order on their part, the fruit of labor or supply would not be properly forthcoming; but

then it has been shown, that the power acquired by supply without a moral incentive on the part of others of the community, to insure the continuance of demand, becomes deteriorated or perhaps destroyed. It follows, therefore, that the great object of this Commission, when it enters upon a consideration of the important subject of moral and intellectual state and causes, should be that of declaring the right principle of action as applicable to the dealings of the entire community. This great point being acknowledged in the first instance, and acted upon in the second, improved physical state would follow, as effect from cause. But, I contend, so long as a bad principle of general action—that of confliction or competition, be upheld as a good one, so long must physical want and destitution continue its devastating inroads into the strength and well-being of the community; for the adoption of bad in the place of good, puts a false front upon moral incentive, and converts the efforts of intellect into so many weapons of destruction.

It will be obvious that the argument which I have here advanced, must be altogether subordinate to the subject of religious influence: for, under whatever circumstances of privation and trial the suffering parties in this, or in any other case, may be placed, the power derivable from this source should be most earnestly and most perseveringly sought after, as affording the only sure and perfect rule either of action or of submission.

Upon reviewing the entire matter of argument which I have now laid before you, and on contemplating the very extended range which I have presumed to attach to the principle established by it, prescribing a course of social or commercial action so different from that propounded by most modern writers, and upheld by the greater number of modern legislators—it would appear as though it possessed a claim to be ranked as a discovery in political science. Such, however, is not the fact, it being entirely deduced from, and hence to be referred to, the great doctrine which has been delivered to mankind by the Supreme Being in his Christian revelation. This I will now show.

Our Lord, on conveying it to us, has commenced by a great declaratory proposition, founded on his knowledge of the nature and attributes of God. He has enjoined, as a primary act, the entire devotion of the faculties of the soul to God, as being the source and centre of all goodness.—Then, arguing by the method of analogical reasoning, he has urged the carrying on, or the adaptation, to social action, of the desire or principle thus imbibed. This re-conjunction of the lapsed moral of the creature, with the perfect moral of the Creator, he has established by the great commandment—Love thy neighbor as thyself. He has declared this injunction to be so comprehensive in its nature as to be co-extensive with the agency of man, for he has added, that upon it hangs ALL the law. When treating of the material things of the world, and thus opening to us the science of Social or Political Economy, he has urged us to—Seek first the kingdom of God; and he has then assured us that ALL these things shall be added. That is, let your kingdom, or your principle of government—including of course

*McCulloch.

the individual and the general—be like the kingdom, or the governing principle of God. Thus, love or goodness is declared to be the great social law, enjoining co-operation, and resulting in harmonious action. Then, labor directed by this law, its fruit or effect would be like the law, that is, good. Good moral preceding—good physical issuing. In carrying on the argument throughout the numerous divisions and subdivisions of labor or of employment, we should then have UNITY of principle, but DIVERSITY of operation; the MATTER of the diversity being *subject* to the MORAL of the unity. When our minds are induced to dwell on the full meaning of that assurance of our Lord, where, treating of the material things of the world, he has said, all these things shall be added unto you, for God knoweth that ye have need of these things—what a majestic and all-benevolent predicate we discern attached to his simple though great proposition! He has said— Seek to do right in the *first* instance—and then comes the boundless and beneficent sequence—every thing that the earth contains shall be at your command. Develop and appropriate you may, but let social love, truth, or justice, be the guide of every development and of every appropriation. In proportion as this is observed there will result good—inasmuch as it is unobserved or deviated from, there will result evil. Thus by a simple tracing out of cause and effect, we arrive at the origin of the life and death of states. As the combined operation of just action, social love, or goodness, is the cause of the one; so the combined operation of unjust action, selfishness, or evil, is the cause of the other.

I now bring my constructive argument to a conclusion—I submit to you, that, by it, an affirmative proposition is established. It having been proved that union or conjunction, in opposition to confisction, competition or disjunction, is the true principle of social or commercial action; hence it follows, that *the free principle must be rejected, and a principle of regulation adopted.*

ARGUMENT THIRD.

Method—Corollaritive. Proposition—Adaptive.

PART I.

HAVING shown by the matter of my first and second argument, the nature of the false, and also the true principle of commerce, it now devolves upon me to show, in addition, the method whereby the true principle may be adapted to, or engrafted on, a system of social action, which is being impelled, in the greater degree, by the power of the false principle.

The nature of this definition having been described in your Book of Instructions, I will quote it again here: it occurs at page 29, and is as follows:—"To require every person who proposes a remedy to explain in detail both the object to be effected, the means to be used, and the process by which the proposed means are to produce the contemplated effect. These means should be stated with the fullness and precision of a law; so that, if the suggestion were adopted, the law for effecting it would be ready."

And again, "To inquire into the probable effects of any proposed remedy, not only on the branch of trade for whose relief it may be pro-

posed, but also on *the community in general*; stating especially what class of persons, and how, and to what extent, would be peculiarly benefited or injured by it. And where the proposed measure, if adopted, would extensively affect the whole community."

Such being the nature and extent of the question to be elucidated, I will endeavor to frame my course of argument in such a manner as to afford a clear explication of the matter thus described.

In the first place, then, as the argument which I am about to construct is a dependent one, or an issue of a preceding proposition, I must, of necessity, take the preceding proposition as granted to me. The premises thus assumed, consist in the principle established by my last or affirmative argument: and in order to work out a correct induction, it will be requisite that I here capitulate the main features of my affirmative proposition.

Now, the affirmative proposition which is to form the basis of my present argument, was constructed by the conjoined operation of two distinct powers, the one moral, the other physical. I showed that all physical things designed for the service of man, had been placed by a benevolent Creator under the control of the labor of man; and again, that this powerful instrument, labor, was efficient in proportion as it was directed by, or worked in unvarying compliance with, a respect for the rights of all men, or the great moral law of justice.

Thus was shown the necessity for the power of the good moral law PRECEDING the fact of beneficial physical development. It was seen that the physical matter thus acquired, was known generally under one appellation, that of capital, this term embracing in its meaning all the exchangeable commodities, or matter of value, existing among any given community of people.—These commodities or productions having become multifarious, by reason of the members having consented to assist each other by frequent divisions and subdivisions of employment, thus constituting mutual and general dependence, it was shown, that the law necessary to be observed, both in the commencing and in the continued development of these numerous matters of production, is the law of proportion, resulting from the moral law of justice urging for practice the preservation, wherever necessary, of the great physical law of demand, demand being the cause of value.

It will be obvious that the end required to be found by the question now under consideration, is the formation of NEW OR ADDITIONAL capital, taken in its most extended or aggregate character. Population being on the one side, the laboring, the consuming, and the enjoying power; and Capital on the other, being the fund for remunerating labor, for consumption, and for enjoyment. The relief or remedy sought can, therefore, be attained only by the increase or enlargement of the fund upon the principle of realizing the greatest degree of general production or capital, in order that the great design may be fulfilled of preserving enjoyment to those who are already in possession of it, and of raising those into the possession of enjoyment whose state is unduly depressed.

Now, in order to effect this object, I contend, that all PRESENT DEMAND, or the subsisting relations of trade, in whatever quarter they may have sprung up, should be continued, for the purpose of preserving EXISTING capital, and that changes or improvements should be regulated in conformity with the degree of the general increase which may arise IN FUTURE from existing capital, that is, the aggregate of the accruing profit. For poverty and destitution have arisen by reason of our having neglected to keep in operation the great law of demand; that is, changes, or improvements, as they have been falsely called, have been effected, which have not been warranted by the state of the general capital; the proportion of change having exceeded the proportion of increase of capital which should have been employed in effecting the change.

It has been rightly held that capital is the cause of improvements, but, unhappily, the converse of the proposition has been held also, and is in high estimation at the present period, namely, that improvements of the powers of producing necessarily create capital, which is false, the formation of capital being dependent upon another law, which is the great law of proportion as applicable to production in general.

In conformity with the course of reasoning which I have advanced, it is my duty to contend that a remedy for the existing evil, or poverty, is not to be found in any backward or retrogressive movement. Thus, if we take it as a matter granted, that the hand-loom weavers have sustained injury by the substitution of mechanical power for manual labor, nevertheless, injury in general would be inflicted, and the disease of poverty aggravated, by framing a law which should stop the use which is *at present* made of mechanical power. The evil of poverty has arisen from changes having been adopted without regard having been paid to there being sufficient capital in existence, or a fund beforehand wherewith to compensate the hand-loom weavers for the deprivation of their employment, or for the encroachment made upon its value; so, the making another change under similar circumstances of general deficiency, would be adding force to the evil, though it might take effect in another direction. Again, if we take the case of those employed in any home manufacture, having been injured by the cessation of demand for their commodity on account of the introduction for sale of a similar commodity from a foreign country, so, I have to contend likewise, that a remedy would not be found in a law which should put a stop to such a state of trade. For, in that case, a cessation of demand ensuing, injury would be inflicted upon those of our own people who are employed in making commodities, wherewith to exchange or purchase the foreign commodities, an injury of a similar nature occurring also to the people of the foreign state. And although it might appear that such a law would be beneficial to particular class of manufacturers, yet such appearance would be deceptive as applicable to the aggregate; the fact being, that injury would be inflicted in another direction, on account of a destruction of capital happening, which would not be compensated for by any advantage accruing to the community in any other quarter; but, on

the contrary, the general capital, or fund, would sustain injury or diminution.

The course of argument which has been adduced, will apply to the question of a community proposing to derive benefit by the abolition of any tax. To elucidate this, I will suppose two great cases as examples. The first shall be a relinquishment, either voluntary or compulsory, of the national debt, by those who have a lien for it, upon the general capital of the community. On viewing such a question, we have to consider the facts of a great number of the people having the right of demand, by virtue of an agreement or compact, to a certain quantity of commodities during each year, the amount of which I will take to be of the value of 30 millions of pounds sterling. Now if the right of these persons be either abrogated or surrendered, a cessation of demand would instantly ensue for all the various commodities which their habits of consumption have induced the production of; and, I contend, that this cessation of demand would bring about a derangement of that adjusted proportion between the supply and demand of all commodities, which is the foundation of all value; consequently injury would be inflicted on the general capital of the community, and hence poverty and distress increased.

The next case shall be that of disbanding an army. I will suppose that the people of a country have got together 100,000 men for the purpose of carrying on war, and that war being ended, it is proposed to dispense with the services of these men, and thus to save to the people the expense, that is to get rid of the burden, of maintaining them. I contend, that there is no law by which benefit can be derived, that is, the capital of the community increased, by any such procedure or saving as that now adverted to; but, on the contrary I contend, that injury in general in this second instance, as in the first, will ensue, and from the same cause, namely, a falling off of demand for the various commodities which have formed the matter of consumption of these men, which falling off of demand would act and re-act throughout the entire circle of the capital of the community; and in addition, the evil now adduced would be increased by the labor thus let loose or relinquished, being forced into competition with the general labor of the community, and this taking place upon the basis of a capital which has just received injury or decrease; so a proportionate diminution must take place in the general rate of earnings or the wages of labor.

The only true and just method of acting in either of the two instances adduced, is that of changing the character of the facts from public contributions or burdens into a state of demand not arising out of a principle of taxation. This should be effected by appropriating a portion of the annual *increase* of the capital of the community, or the general profit, to liquidating the claims of the parties, and thereby preserving, as entire as possible, a continuity of demand, and hence a conservation of value, extending over the general body of capital.

If the questions which I have just adverted to, be viewed through the medium of moral law, the course of action which I have adduced and urged for practice, will appear to be in exact conformity

with right or justice; for it should not be that man should possess the power of deriving benefit by the infliction of injury. The design impressed by an all-wise Creator, upon the modification and appropriation of all material things by the labor of man, and hence upon the laws which it is the duty of man to make respecting them, is that of educating good; thus the beneficial effect consists in awarding or bestowing these things upon each other to the greatest degree compatible with justice or the rights of all; and it will follow, therefore, that the turning round upon and against each other, for the purpose of encroaching upon or curtailing each other's enjoyments, should be avoided. It is true that a tax may have had its origin in an unwise design, or have been instituted for a bad purpose; but this feature does not change the operation of facts. They were adopted by consent of the community, consequently, they should be held as being the act of an associated people, and regard be paid to them as such.

Thus, in the operations of truth, no backward or retrogressive movement is contemplated or provided for. All is progressive or constructive. If it were otherwise, a law must have been made which should have provided for evil, that is, should have given to it a sanction, or bestowed upon it the high privilege of imperishableness or perpetuity: now this would have been contrary to the nature of an agency, which possesses the combined character of perfection and omnipotence. Hence, on treating of the science of social or political economy, we find that mean, ungenerous, selfish, and cruel action, is, by a wise and inevitable law, made to act against itself, or to destroy its own constitution; while on the other hand, it is to generosity, honorable action, social love, or truth, that the power of construction, conservation, together with the exalted privilege of enduring, is assigned.

In corroboration of the course of argument which I have just advanced upon the great and important question of remedies, I find that a similar conviction of the necessity of preserving the operation of the great law of demand, was entertained by Malthus, as will be evident by the following passages in his work on the "Principles of Political Economy." Thus at p. 418, there is as follows, and which I have quoted before:—

"With regard to these causes (alluding to the causes of distress) such as the cultivation of our poor soils, our restrictions upon commerce, and *our weight of taxation*, I find it very difficult to admit theory of our distress so inconsistent with the theory of our comparative prosperity. Whilst the greatest quantity of our poor lands were in cultivation; while there were more than usual restrictions upon commerce, and very little corn imported, and while *taxation was at its height*, the country confessedly increased in wealth, with a rapidity never known before. Since some of our poorest lands have been thrown out of cultivation; since the peace has removed many of the restrictions upon our commerce, and, notwithstanding our corn laws, we have imported a great quantity of corn; and since *seventeen millions of taxes have been taken off from the people*, we have experienced the greatest degree of distress, both among capitalists and laborers."

Again, at page 424:—"In the same manner, if a portion of our capital be destroyed, and yet the profits of the remainder are low, and accompanied with frequent losses, and a tendency to emigrate, surely the great general laws of demand and supply cannot more clearly show us that something else is wanted before we can accumulate with effect. What is now wanted in this country is an increased national revenue,—an increase in the exchangeable value of the whole produce estimated in bullion, and in the command of this bullion over labor. When we have attained this, which can only be attained by increased and steady profits, we may then begin again to accumulate, and our accumulation will then be effectual. But if instead of saving from increased profits, we save from diminished expenditure; if, at the very time that the supply of commodities, compared with the demand for them, clearly admonishes us that the proportion of capital to revenue is already too great, we go on saving from our revenue to add still further to our capital, all general principles concur in showing, that we must of necessity be aggravating instead of alleviating our distresses."

Again at page 435:—"If the principles which I have laid down be true, it will certainly follow that the sudden removal of taxes will often be attended with very different effects, particularly to the laboring classes of society, from those which have been generally expected. And an inference may perhaps be drawn from this conclusion in favor of taxation. But the just inference from it is, that taxes should never be imposed, nor to a greater amount than the necessity of the case justifies, and particularly that every effort should be made, consistently with national honor and security, to prevent a scale of expenditure so great that it cannot proceed without ruin, and cannot be stopped without distress."

Again, page 436:—"There is every reason to believe that the working classes of society would be severely injured by attaining the object which they seem so ardently to wish for. To those who live upon fixed incomes, the relief from taxation is a great and unmixed good; to the mercantile and trading classes it is sometimes a good and sometimes an evil, according to circumstances; but to the working classes, no taking off of taxes, nor any degree of cheapness of corn, can compensate a want of demand for labor. If the general demand for labor fail, particularly if the failure be sudden, the laboring classes will be wretched in the midst of cheapness; if the demand for labor be considerable, they will be comparatively rich in the midst of darkness. When there is no demand for labor, however low the price of food may be, the laboring classes can only obtain it by charity."

"To state these facts is not to favor taxes, but to give one of the strongest reasons against them; namely, that they are not only a great evil on their first imposition, but that the attempt to get rid of them afterwards is often attended with fresh suffering."

Having argued as I have now done respecting the nature of the remedies which may be applied to the great amount of distress under consider-

tion, the following important question arises—What prospect of relief or consolation is opened to hand-loom weavers under the view which has now been taken of their case? In the first place, then, this consolatory view exists, namely, that if the community should resolve to adopt towards them the course of just action already traced out, the present state of the hand-loom weavers will be their worst state. Lower than this they will not descend. In the next place, a quicker or more abundant formation of capital in general ensuing, the proportion of demand as compared with the supply of the articles which are made by them, will be raised, which increase of demand will bring about a general advance in the rate of their earnings, whilst their own improved condition will react upon the producers of other commodities which themselves may demand; and thus the improvement of circumstances, though slow, will be certain and general. The direct and visible proof of the successful operation of the course of action which I have now contended for, will be an increased rate of profit accruing to capital in general.

It will be evident, however, that the policy now advocated, will require, on the part of the community, the adoption and the exercise of principles very different from those which have been recommended for practice by modern political writers. It will require of those who have already made advances in the accumulation of wealth, that, *in future*, they place a restraint upon their desire of gain, so that, they having much and abstaining from grasping more, those who have little may participate to the extent to which they are entitled. Thus it is necessary that greediness or covetousness be checked in the stronger, in order that the bounty of Providence may not be intercepted from the enjoyment of the weaker. It will require that the eager and existing passion for great and unceasing change be repressed, and that improvements in physical things be not attempted during a period of suffering among any portion of the community; and that changes be patiently waited for, until their realization be warranted by a good state of circumstances as regards the entire community, that is, the existence of a real superabundance of capital. This would be acquiescing in the beautiful law of Providence, whereby it is ordained, that general improvement shall be the result, or the reward, of good general action, a state of things consequent, not antecedent. It will require that the doctrine of cheapness be understood and held in its true and abominable character. Now the real meaning of the word cheapness, is such an application or use of natural material acquisitions, as shall enable a portion of the things usually consumed by those who labor to be withheld from them, or saved, as it is called. Thus, the less that is given to the laborer for his consumption on the one hand, and on the other, the more efficient his labor is made, the smaller will be the cost of production; and then, the production being procured at less cost, and the supply being stimulated, cheapness is the result. Thus the possessor of capital is urged to encourage invention to the utmost of his power, and when, by the exercise of ingenuity, a method is found of supplanting or dispensing with labor, the human

agent is instantly discarded without consideration and without compassion. Labor then becomes disproportioned to capital, or superabundant as compared with capital. Urged by necessity, the laborer then proffers his service again to the possessor of capital, who offers him smaller remuneration, upon condition that he bestows for this diminished remuneration, a still larger portion of his toil. Thus the action is forced against the weaker party two ways; the one, by the utmost diminution of his matter of consumption, and the other, by the utmost pressure upon his ability to labor or to produce. The result of such a course of cruelty is the much esteemed fact of cheapness. It is attempted, indeed, to conceal the character of the proceeding by asserting, that commodities so produced will come more within reach of the laboring classes themselves, and so enable THEM to be greater consumers. Now this, it is evident, is a false gloss, covering a hideous and most pernicious state of facts; for as ALL commodities are procured by the instrumentality of labor, and as the course of action adverted to must of necessity be of equal and universal application, that is, be fitted to extend itself to ALL labor, so the assertion can have no foundation in truth, since it cannot be that a class or any general body can derive benefit by its own degradation.

On viewing the doctrine of cheapness in the light in which I have now placed it, it will be seen, that here also the beautiful and all-pervading law of degree or proportion, must be carefully regarded; for in maintaining that good and full remuneration of labor, that is, a high cost of production, is a state of facts beneficial to a community, the argument must be viewed as being in subordination to the great law just adverted to, or the law of proportion. For as on the one side there is a degree far too low, so, on the other, there must be a degree far too high. The true point to be desired and to be attempted is this,—that the degree be kept as high as possible, regard being had to its being GENERAL, for then all classes would be partakers of the good educated. It is to be disregarded of this important part of the subject, that the lamentable and unjust inequality in the condition of man is to be attributed.

The summary of my remedial argument will, therefore, be as follows:—In the first place, it excludes all action of a retrogressive nature, on account of its bringing about, in every instance, a decrease of value, or a diminution of the general fund of capital, ar^d, consequently, aggravating instead of alleviating the general disorder or distress. Having shown the necessity of preserving EXISTING capital in its present position or employment, it establishes, in the next place, the necessity of affixing regulations to that which may be the offspring, that is, the increase of the present or existing capital. These regulations to be applied to production in general, so as to adjust as accurately as possible the proportion of supply to demand, thus diminishing the great and destructive power of competition. They will be applicable, whether the question be the INCREASED introduction into the country of foreign commodities; whether it be the INCREASED employment of mechanical, and the consequent decreased

employment of manual power; or, indeed, of any other cause of competition whatever; for it will be evident that the effect must be similar from whatever quarter its cause may spring up. The course of action implied, therefore, is a continuity of demand, as affecting beneficially things present or existing; and the observance of the great law of proportion as applicable to things future, or to the future employment of all labor upon the development of general production.

On bringing the matter of my entire argument to a conclusion, it only remains for me to request your attention to the influence which its principle is calculated to exercise upon the moral and physical condition and prospects of the handloom weavers, and also of the rest of the community as inseparably connected with them. It will be obvious that a very different state of things would be existing at present from that which really does exist, if the general faculty of labor, and the general faculty of thought, had been employed, heretofore, in obedience to the great law of our religion; and it must be obvious, likewise, that a most improved state of circumstances must ensue, if, hereafter, men would control their desires and regulate their actions in conformity with the spirit of this law.

Probably, it may be said, that it is vain to expect any such change or any such submission, since the law has been for ages fully and forcibly defined; notwithstanding which, the greater part of the vast portion of mankind who have acquired the power of property, have continued to gratify their own appetites and wishes in performing the duty of administering, by their social actions, to the just support of others. In short, that they have consigned multitudes of their fellow-beings to privations, suffering, and premature death, rather than forego the indulgence of their own sensual desires. This, as a lamentable matter of fact, must be admitted. Nevertheless, the truth remains unchanged and unchangeable, and it is in conformity with truth that laws should be made.

It may be said again, that the portion of social feeling and general action which legislative enactments can either influence or coerce, must be small when compared with the entire or general mass. This must be admitted also; but then, it must be conceded, on the other hand, that when treating on the subject of remedies, every degree of advance from error is a degree of advance towards truth; if acted upon, would be a diminution of evil, and an increase of good. If, therefore, the whole good cannot be attained, a part may be, and thus an approximation towards the end desired be effected.

When the obligations of public law, and the secret suggestions of conscience alike fail to bring about the desired result, it will be manifest, that no other remedial resort remains, and that the suffering and injured parties must endure the pain of privation and destitution without a prospect of relief. And, as respects such a state of moral degradation and turpitude, all that can be offered is, that each individual must finally rest upon the facts, of his own case, and bear in his person the consequences, which a rejection of the great covenants of the Christian law has been declared to involve.

[The case put into the Commission ended here, being signed by the Chairman, Committee, and Secretary of the Operative Weavers, and also by me.]

ARGUMENT THIRD.

PART II.

On recurring to the nature of the conclusion which has been established, it will be evident that it is analogous to what most men who have reflected much upon the subject, have delighted to contemplate and to predict, notwithstanding the diversity of opinion which may have existed among them, as to the means necessary to be observed for arriving at it. It is, that matter is so constituted by natural law as that its use, or right social adaptation, is ordained to fulfil the great purpose of general agreement or harmony. That although mankind may be divided into separate or distinct communities or nations, yet one principle of action is everywhere existent, rendering the interests of all people identical, and bringing all things in subserviency to the great purpose above mentioned, that of general benefit.

It has been the object of my labors to show the course of action whereby this desired result may be attained, and it is pleasing to find a remarkable corroboration of the matter of my argument in the writings of a man, who, it may be presumed, never directed his attention, in any special manner, to the science of Political Economy. It is a man, however, whose spirit soared so far above the sphere of general human contemplation—who, by the power of an intuition unequalled in the range of mere human intelligence, commanded such an extensive view of moral and physical law, that the instance I am about to quote will not excite surprise. The author to whom I allude is Shakspeare. In his play of Troilus and Cressida, and in a speech made by Ulysses on the subject of the causes of the ill success attending the efforts of the Greeks against Troy, the author selects out the two principles whose agency I have elucidated, and dwells with peculiar force upon the operation of each. These are the good and the evil principle; the one being that of conjunction or union, the other that of disjunction, confliction, or competition. The delineation is minute, accurate, and forcible, and in the highest degree philosophical and beautiful. It occurs in the 3rd Scene of the 1st Act, and is as follows:

"Troy, yet upon his basis, had been down,
And the great Hector's sword had lack'd a master
But for these instances.
The speciality of rule hath been neglected:
And look how many Grecian tents do stand
Hollow upon this plain, so many hollow factions.
When that the general is not like the hive,
To whom the foragers shall all repair,
What honey is expected? Degree being vizarded,
The unworthiest shows as fairly in the mask.
The heavens themselves, the planets, and this centre,
Observe DEGREE, priority, and place,
Insubistre, course, PROPORTION, season, form,
Office, and custom, in all line of order:
And therefore is the glorious planet, Sol,
In noble eminence enthron'd and sphered
Amidst the other; whose med'cinal eye
Corrects the ill aspects of planets evil,
And posts, like the commandment of a king,
Sans check, to good and bad. But when the planets,
In evil mixture, to disorder wander,
What plagues, and what portenis: what mutiny!

What raging of the sea ! shaking of earth !
 Commotions in the winds ! frights, changes, horrors,
 Divert and crack, rend and deracinate
THE UNITY AND MARRIED CALM OF STATES
 Quite from their fixture ! O, when DEGREE is shak'd,
 Which is the ladder of all high designs,
 The enterprise is sick ! How could communities,
 Degrees in schools, and brotherhoods in cities,
 Peaceful commerce from divisible shores,
 The primogenitive and due of birth,
 Prerogative of age, crowns, sceptres, laurels,
 But by degree, stand in authenfile place ?
 Take but degree away, untune that string
 And hark, what discord follows ! each thing meets
 In mere oppugnancy. The bounded waters
 Should lift their bosoms higher than the shores
 And make a sop of all this solid globe.
 Strength should be lord of inactivity,
 And the rude son should strike his father dead :
 Force should be right ; or, rather, right and wrong
 (Between whose endless jar justice resides)
 Should lose their names, and so should justice too.
 Then every thing includes itself in power,
 Power into will, will into appetite ;
 And appetite an universal wolf,
 So doubly seconded with will and power,
 Must wake perforce an universal prey,
 And, last, eat up himself. Great Agamemnon,
 This chaos, when degree is an associate,
 Follows the choking.
 And this neglect of degree it is,
 That by pace goes backward, with a purpose
 It hath to climb. The General's disdain'd
 By him one step below ; he, by the next ;
 That next, by him beneath : so every step,
 Examined by the first pace that is sick
 Of his superior, grows to an ominous fever
 Of pale and bloodless simulation :
 And 'tis this fever that keeps Troy on foot,
 Not her own shrews. To end a tale of length,
 Troy in one weakness stands, not in her strength."

It will not be necessary that I comment at any length upon particular parts of the above noble composition. The comprehensiveness, beauty, and truth of the ideas, will be recognised and deeply felt by all whose natures contain even the smallest leaven of genius. Where the affections and the intellect are occupied and choked by false and dull matter, there will be a total imperviousness to the admission of all such truth; but, in this case, the difficulty of perception will arise out of the inaptitude of the recipient, whose purification and elevation cannot be effected by any description or mere human argument that can be advanced.

The first portion of the passage which I will notice is that of "the speciality of rule." These words require great meditation to be applied to them. It will then be seen that they have a meaning the most comprehensive, as they signify the great general principle to be superinduced over every community of people. The author declares that this "speciality of rule" can be realized only by the strict observance of a great law, that of degree or proportion, whose beneficial and all-regulating agency he depicts, as also the ill effects resulting from its infraction; and then, applying this law to the subject of political economy, he comprises the vast interests of a nation in one and the following expressive line :

"The unity and married calm of states."

Thus maintaining, by a beautiful metaphor, that the principle by which the interests of persons who are joined together in communities or kingdoms, are constructured and cemented, is identical with that which appertains to persons united by marriage.

He then proceeds to describe the consequences of a rejection of the law of wholesome restraint,

or the adoption of the free principle, maintaining that, under such a state, will, power, and appetite, combine and conflict, and eventually bring about both general and self-destruction.

The following passage clearly expresses also the effects which result from the agency of the free principle :

"And this neglect of degree it is,
 That by pace goes backward, with a purpose
 It hath to climb."

As coinciding with this idea, I have shown, in the body of my argument, that advancement or improvement being intended, the reverse occurs.

I now propose to show, in what way the matter of my argument is applicable to the great and important subject of education. Upon entering on the consideration of this interesting and momentous question, it will be necessary, in the first place, to reflect on the true meaning of education or instruction. It will be evident, that one of its most essential elements consists in its being a method of employing the faculties of the mind in acquiring such knowledge as may enable the possessors to assist in working out the variety of matter which God has created for the use of man. It is this peculiar and economical feature of the subject, which the advocates of secular instruction rely upon as leading to the good result which they profess to wish to bring about. They assert, as their conclusion, that there is deficiency of production. If this conclusion were true, their view of the effect of secular instruction would be correct ; but I contend that, by the matter which I have brought forward and arranged, it is established that the evils deplored,—the poverty and destitution of a great portion of the people,—have been engendered by the fact of false education or false instruction, abetted by a bad, selfish, or perverted will, whereby a wrong principle has been attached to production. The error consists in this wrong principle of production, and not in a deficiency, and the evil has not sprung from the agency, either active or defective, of the poor and destitute themselves, but from the active and injurious agency of those members of community who are held in estimation as the well-educated or well-instructed.

For in applying the faculties of the mind and the powers of the body to the matter of nature, attention has not been paid to the social or moral principle by which these faculties should have been directed. Thus, in all the investigations of science, the inventions of art, and the efforts of general industry, the object of those engaged in these great pursuits has been, in far too great a degree, selfish gratification and worldly and secular advancement. In general, little reference has been made to the effect which such pursuits and enjoyments would have upon the physical condition of other members of the community, while confiction of interests and competition have been upheld as sources of public welfare.

The exclusion of so many members from a rightful participation in the general property or capital, is owing to such education or instruction, impelled by a bad or unsocial will, whereby the general capital has received injury. Instead, therefore, of secular instruction being in its nature a remedy, it is the reverse ; for it is the original disorder of the state, or the canker which has

for ages been making its sure and pernicious advances into the physical well-being of the community; preventing the education of good, and likewise destroying a portion of that good which has been educated.

Thus a false system of political economy has by degrees been set up. Its pernicious and fatal doctrines have been insinuated into the affections and minds of the people, with unwearyed assiduity. Weak, ill-instructed, though self-satisfied writers, concealing their errors amidst the confusion and obscurity which the numerous and complicated circumstances of the state afforded, have disseminated these doctrines, whilst statesmen similarly incapable and ill-constructed, have, without the least compunction of conscience, proceeded upon administration, and have urged for practice the false course thus propounded.

The only course by which the existing disorder or state emergency can be alleviated, is the agreeing to a right principle of action, and the application of this principle to the circumstances of the country. It will be evident that this is the only method whereby the desired end can be attained, which is, that they who are now in poverty and destitution, shall become invested with rights which the Creator has ordained as their inheritance, so that they may be enabled to educate and instruct themselves and their children; by which means the beneficial fact of education, instead of being the result of state contribution or charity, will be the fruit or effect of labor rightly directed and justly appreciated. But to attempt to effect the object by the wrong or false principle, upon which a plan of simple secular instruction is based, will be to expand the desire of enjoyment, and at the same time to contract the means by which alone the desire can be satisfied.

Upon the view of the question which has now been set forth, I contend, that they who assent to a plan of education, or secular instruction, without the religion of Christ prefixed, as being the only true regulator of moral and physical power, are guilty of the renunciation of the revealed law or will of God. They render themselves agents of the evil spirit, whose operation they profess to deplore and to oppose. By urging on the destructive influence of competition, or indiscriminate production, they will depress in a still greater degree than is done at present, the physical condition of many of their fellow-countrymen; and furthermore, they will extend the circle of suffering, so that it will include many who are now uneinbraced by it. If such a system of instruction should receive the sanction of the legislature, the nation will be placed, in regard to religion, in the position in which St. Paul found the Athenian state, when he lamented and exclaimed, because he saw an altar with an inscription "To the Unknown God."

It is the upholding the false view against which I have now argued, that it deceives many persons with a pretext on which to decry the institution and observance of the Sabbath. On proceeding to object against the policy of the sacred ordinance, the fact which they put prominently forward for attention, is the number of poor and destitute persons who are wishing to have employment for their labor. They then argue, that it is unjust and cruel to prevent these persons exerting

their faculties during one day in seven, and that if the restraint were removed and they were permitted to work, the fruit of labor, or the general fund of production, would be increased, and thus their wants relieved.

But when a check is given to hasty and ill-considered assertion, and we proceed to examine with minuteness and accuracy, the real and entire scope and nature of the great question, we find that labor is at present superabundant; that the general capital is not adequate to the employment of those who desire to labor; therefore, the adding at once a quantity of labor to the general stock, equal to a sixth of that already in operation or employed, must necessarily increase the evil, by diminishing the earnings of the laborers.

The error in the case now adduced, arises from the wrong calculations to which I have so frequently adverted. The various writers on Political Economy, and the statesmen who have followed in their track, having had the sphere of their vision so confined as to be able to view production only in its character of singularity, they have been wholly unable to argue correctly upon the facts of a plurality and exchange of productions. Having succeeded in working out the first or simple proposition, it was their duty to have persevered until they had succeeded also in working out the last or compound proposition; but in every attempt to accomplish this they have failed.

Thus, it will be obvious, how very easy it is to place the semblance of truth and justice upon the issues of a false principle, for all who are not scrupulous about the fact of whether they may be arguing rightly or wrongly, and, moreover, that the admission of a false principle may bring about the entire derangement of a great, holy, and universal plan.

Every person who has meditated well and deeply on the nature of the science of Political Economy, or the principle of General Government, cannot fail to have perceived that its earliest adaptation to human necessity, involves the great courses of action which were presented in the case of our first parents, the account of which has been conveyed to us by the sacred writers. Thus from the commencement of man's appropriation of the gifts of his Creator, we have two courses open for his choice,—the free, and the restrictive.

The advocates of the former declare and endeavor to persuade, that all things are given unrewardedly for the use of man. That God has adapted one climate to some peculiar purposes, and another climate to other peculiar purposes. That one soil is suited to some kind of production, whilst another soil brings forth productions of a different character. That a similar variety exists in the corporal aptitudes and the mental faculties of men. That some possess the desire and power of effecting one object,—while others possess the desire and power of effecting different purposes. That these peculiarities, differences, and advantages, together with all other natural varieties, would not have been created, unless it had been intended that they should be used. Hence they conclude, that as God has freely given, so man may as freely direct, appropriate, and enjoy. On the other hand, the command of God is put forward, which declares,—I enjoin

restraint,—I prohibit. It is true I have created the world replete with beauty, and stored with advantageous matter. The fund is ample. To you I give—to you I entrust. But, mark! This fund is to be developed by your labor. In order to effect this development, you will have to enter upon great and numerous divisions and subdivisions of employment. Each person will have to contribute assistance by the exercise of industry, ingenuity, and care, and thus there will be mutual and general support and dependence. I esteem you as one family, and have so arranged that all are sufficiently included by my regard, my providence, my care, my love. For accomplishing my great scheme I annex to the matter which I furnish for you, an unalterable condition or law;—the law of restraint. Self-denial or self-renunciation will be required of you; that is, I enjoin each of you to keep his desires in a state of perfect compatibility with the good of others. By the recognition and the observance of this rule you will render yourselves just. Such, together with other specified laws of restraint, will form the substance of your great trial. If obedience be observed on your part, then pleasure and acceptance will follow on my part. If disobedience occur with you, then displeasure and rejection will occur with me.

To this the advocates of the free principle must reply. We admire and accept all the richness, the beauty, and the deliciousness of creation, but we reject the condition. We will not acknowledge the necessity or the wisdom of the restrictive or prohibitive law. If one country offers to us more delicious food, more beautiful apparel, or whatever else it may be in which our natural inclinations delight, we will have them unrestrainedly. If our desires prompt us to seek a more delightful climate, to enjoy more captivating scenes of natural beauty, we will be restrained from the enjoyment by no inquiry as to the injury that may accrue to our fellow-creatures. But we will quit our native land, and only return to it when our appetite for change is appeased, when the sources of our gratifications are exhausted, or when our interest renders it necessary that we resort to it for the purpose of using its advantages. In the pursuit of wealth we will acknowledge no other guide than that of our own interest. We put to silence all objection on this head by declaring, that the interest and good of others are involved in the interest and good of ourselves. Thus the unrestricted pursuit of art, of science of wealth, and of pleasure, shall be the course in which we will direct the ever-active spirit of our being.

There is a passage in the sacred writings which describes with peculiar, forcible, and appalling accuracy, the sinfulness of such a course of selfish action, and its destructive effects upon states. In this description, the abandonment of the general and social duty which is affixed by the law of God to the possession of all property, and the substitution of the passion of self-aggrandisement and self-indulgence, are characterised by the strong and expressive term of committing fornication with the world. Another extensive and prominent disease of a depraved, luxurious, and selfish generation, is also selected and condemned, namely, the placing reliance upon those

very facts which constitute the evil itself. The perpetual boasting of how great things can be done by the ingenuity and enterprise of man, and of the enlightened state of his understanding. This is characterised by the term self-glorification. The matter occurs in the 18th Chapter of the Book of Revelations, and is as follows:

“And after these things I saw another angel come down from heaven, having great power; and the earth was lightened with his glory.

“And he cried mightily with a strong voice, saying, Babylon the great is fallen, is fallen, and is become the habitation of devils, and the hold of every foul spirit, and a cage of every unclean and hateful bird.

“For all nations have drunk of the wine of the wrath of her fornication, and the kings of the earth have committed fornication with her, and the merchants of the earth are waxed rich through the abundance of her delicacies.

“And I heard another voice from heaven, saying, Come out of her, my people, that ye be not partakers of her sins, and that ye receive not of her plagues.

“For her sins have reached unto heaven, and God hath remembered her iniquities.

“Reward her even as she rewarded you, and double unto her double according to her works: in the cup which she hath filled full to her double.

“How much she hath glorified herself, and lived deliciously, so much torment and sorrow give her: for she saith in her heart, I sit a queen, and am no widow, and shall see no sorrow.

“Therefore shall her plagues come in one day, death, and mourning, and famine; and she shall be utterly burned with fire: for strong is the Lord God who judgeth her.

“And the kings of the earth, who have committed fornication and lived deliciously with her, shall bewail her, and lament for her, when they shall see the smoke of her burning.

“Standing afar off for the fear of her torment, saying, Alas, alas, that great city Babylon, that mighty city: for in one hour is thy judgement come.

“And the merchants of the earth shall weep and mourn over her; for no man buyeth their merchandise any more.

“The merchandise of gold, and silver, and precious stones, and of pearls, and fine linen, and purple, and silk, and scarlet, and all thyine wood, and all manner vessels of ivory, and all manner vessels of most precious wood, and of brass, and iron, and marble,

“And cinnamon, and odors, and ointments, and frankincense, and wine, and oil, and fine flour, and whcat, and beasts, and sheep, and horses, and chariots, and slaves, and souls of men.

“And the fruits that thy soul lusted after are departed from thee, and all things which were dainty and goodly are departed from thee, and thou shalt find them no more at all.

“The merchants of these things, which were made rich by her, shall stand afar off for the fear of her torment, weeping and wailing,

“And saying, Alas, alas, that great city, that was clothed in fine linen, and purple, and scarlet, and decked with gold, and precious stones, and pearls!

“For in one hour so great riches is come to

nought. And every ship-master, and all the company in ships, and sailors, and as many as trade by sea, stood afar off.

" And cried when they saw the smoke of her burning, saying, What *city* is like unto this great city ?

" And they cast dust on their heads, and cried, weeping and wailing, saying, Alas, alas, that great city, wherein were made rich all that had ships in the sea by reason of her costliness ! for in one hour is she made desolate.

" Rejoice over her, thou heaven, and ye holy apostles and prophets; for God hath avenged you on her.

" And a mighty angel took up a stone like a great millstone, and cast it into the sea, saying, Thus with violence shall that great city Babylon be thrown down, and shall be found no more at all.

" And the voice of harpers, and musicians, and of pipers, and trumpeters, shall be heard no more at all in thee ; and no craftsman, of whatsoever craft he be, shall be found any more in thee ; and the sound of a millstone shall be heard no more at all in thee ;

" And the light of a candle shall shine no more at all in thee ; and the voice of the bridegroom and of the bride shall be heard no more at all in thee : for thy merchants were the great men of the earth ; for by thy sorceries were all nations deceived.

" And in her was found the blood of prophets, and of saints, and of all that were slain upon the earth."

It remains for me now to urge a most particular and patient consideration of the nature of the spiritual principle, as distinguished from, and superior to, all that is material.

The more the adoption of the spirit of Christ into the affections approaches fulness or perfection, the more clear will the perception become of the real nature of spirit, as distinct from that of matter. It will be evident that the spirit of truth—which involves the principle of good or just government—must have existed anteriorly to the existence of man upon the earth. The advent of Christ was a descent of this spirit, which is of superhuman or divine origin ; hence his being or life was anterior to the existence of the entire race of men. The material adaptation or assumption was effected by means of a member of the human family, but the spiritual or superior element was entirely distinct, and eternally pre-existent.

The operation of his spirit, or the emanation of the principle of just government, with its admirable property of universality of application, have been fully set forth in the following magnificent and well-known passage in the writings of the prophet Isaiah :—" For unto us a child is born, unto us a son is given : and the government shall be upon his shoulder : and his name shall be called Wonderful, Counselor, The mighty God, The Everlasting Father, The Prince of Peace. Of the increase of his government and peace there shall be no end, upon the throne of David, and upon his kingdom, to order it, and to establish it with judgement and with justice from henceforth even for ever."

Here the principle of universal spiritual gov-

ernment is clearly and substantially stated. It is to descend—to expand, and to be co-extensive with the extension of the human family, or to be conveyed into every nation of the world. By it the spiritual nature of man is to be brought to an unerring test. As we trust to the efficacious remedy which it proffers, and evince toward it assent, love, and conformity of life, so shall we be rendered fit for the superior state of existence which is promised to us. As we dissent from, reject, or rebel against it, and thus invade and break the benignant unity of the spirit, so will our natures continue to be unsubmissive to right, and ourselves unfit to be members of a good government.

Unhappily for themselves, and for those of the human family who have dwelt within the range of their influence, there have been many men, who, attaching themselves to the inferior element—matter—have become so immersed in its intricacies, that, relying solely on intellectual effort, they have been incapable of emerging from the darkness in which they have involved themselves, and, being thus enthralled, pride, the strong and enslaving passion, binding them in an adherence to their own views and conclusions, has prevented them from adopting the one and the only remedy.

This deviation from the straight course of truth, has generally been commenced by calling in question the divine origin of Christ, and thus attempting to bring down or degrade his nature to the level of the nature of man. The next step has been to call in question the character, or to deteriorate the true meaning of the doctrines which he has promulgated, and, by specious arguments, to tempt men from a perfect obedience to the rule of life which he has laid down ; thus endeavoring to render the revelation of God, or the divine will, secondary or subordinate to the judgement of man. Now the judgement of man is a tribunal so inadequate to the apprehension of truth, that if two persons be selected from any community on earth, who are reputed to be the wisest of that community, we shall find them differing in judgement on the most important general subjects that may be submitted for their decision. If this want of power or of knowledge be the fact in the instances of the two who are selected as prominent examples of superiority, how greatly must the general inferiority increase as we descend the scale of human acquirement and power, until we arrive at that part of it where exists the lowest and least capable. How beneficent, then ! how beautiful ! and how worthy of all admiration and gratitude is that scheme which has been ordained for the purpose of rectifying, by one simple process, all this mass of inferiority and ignorance ! and which, by the power of faith in a promulgated truth, purifies the affections, directs the actions, and equalises the capacities of all to the required standard !

It will be obvious that, in the constitution of such a plan, it must have been consistent with the all-considerate goodness of the Creator, that exclusiveness should not exist ; and thus it is that the spirit or truth of this scheme, is not in accordance with the advantages possessed by the rich, or with the power acquired by the learned ; for, if it were so, the greater part of mankind must necessarily have

been excluded from participation. But although the poor, the humble, and the illiterate cannot rise to, or identify themselves with the circumstances attendant upon the state of the rich, the exalted, and the learned, yet the possessors of wealth, the greatly esteemed of the world, and those who have had the opportunity of cultivating their intellectual faculties, can easily stoop to the level of the poor and humble. In accordance, then, with the circumstances of the latter, the truth must ever have existed, and so is the plan formed, thus realizing the benign object of inclusiveness, or the possibility of universal reception and enjoyment.

It is under a fatal defection from this scheme that volumes have been written, evincing skill, perseverance, and elaborate research; but, the light of the spirit of truth being absent, error is the ruling principle of such works, and the tendency of them injurious, in the highest degree, to public morals, and destructive of the public welfare.

There are many persons, who, attaching themselves to the essential properties of matter, by carelessly and culpably placing their affections on the enjoyment which the material things of the world afford them, have become unwilling to acknowledge that any social duty is attached to the possession of property or power; and, by keeping themselves constantly within the circle of selfish indulgence, are become insensible or indifferent with respect to the real state of things which awaits them after death. Such persons either repress altogether every advance towards reflection upon this awful subject, or, if their minds be unavoidably led into a train of reflection, they check the advance towards truth, by

encouraging the fatal delusion that accountability will not hereafter be demanded of them, for the exercise and indulgence of passions which they have found implanted in their natures.

Whilst such is the deceitful and self-complacent expectation of many, there are other persons who, having devoted their faculties to the investigation of natural laws, have permitted their affections and intellects to become so thoroughly identified with matter, as to be willing that their entire being shall descend or be resolved into this dull and senseless element. These anticipate nothing better or worse after death than a sinking into a state of inert existence. They console themselves by the false and fatal belief that death is an eternal sleep; whereas, if they had chosen to have advanced into the exalted regions of spirit, conducted by the light offered to them by Christ, they would have discerned and comprehended the real law, and the social operation of physics, by the aid of a pure and holy metaphysics. Then they would have become assured of the sublime though awful fact, that the spirit of man cannot thus perish. That the soul will participate elsewhere, and for ever, in the doom assigned to that spirit which it has served here. That the terms of regeneration, direction, and final acceptance are offered freely to all—that all are included in the same regard, the same love, or the same law, from the person who occupies the throne to the poorest person of the realm; and that fitness or unfitness for the perpetual enjoyment of the society of the just, will finally be declared by the same pure, unerring, and glorious Spirit who alone has imparted perfect truth to the world.

THE END.

